

# The National Underwriter

LIFE INSURANCE EDITION

THURSDAY, AUGUST 3, 1922

## Every Chance for Success

Every agent of ours has an equal opportunity to make good. Every possible aid that can be mustered is employed in equipping all our agents with timely information that will help him to forge ahead in his work as an insurance man. It is our aim to equip and render service to our agents so that they will become known everywhere, as

life insurance men who are giving genuine insurance help and service to their policyholders and prospects in their life insurance problems.

The new agent, especially, values a home office opportunity of this type. It gives him a firm foundation and a good start in the right direction.



OTTAWA, ILLINOIS

# *Up in the North Woods*



*"Cooperation Headquarters"*

Home Office Building of the Peoria Life. Owned by the Company, without lien or encumbrance of any kind. Built from its current receipts, without disturbing the farm mortgage investments which have earned the Peoria Life its reputation for:

*"Policies Strong as Farm Mortgages Can Make Them!"*

*Good  
Contracts  
to Clean,  
Live  
Agents*

On the beach at Grand Island, Michigan, is a row of cozy log cottages, the vacation homes of the members of the Peoria Life \$100,000 Club. They have left the sizzling summer heat behind; they are enjoying the cool waters and shady forests of the Lake Superior region. Many have their wives with them. Every expense is borne by the Company.

The \$100,000 Club is not the only incentive which the Peoria Life offers its agents. Frequent campaigns and contests create interest and encourage 100% production.

Agents expect their Company to provide them with sound, salable policies. Conscientious service is also essential. But when you already have these, such things as a vacation in the North Woods do help, don't they?

## Peoria Life Insurance Company

Peoria, Illinois



# The National Underwriter

## LIFE INSURANCE EDITION

Twenty-Sixth Year. No. 31

CHICAGO, CINCINNATI AND NEW YORK, THURSDAY, August 3, 1922

\$3.00 per year, 15 Cents a Copy

### BIDDING FOR AGENTS ENDANGERS BUSINESS

Is a Menace to Present Life Insurance Agency System

### ELIMINATES SPECIALISTS

Tends to Create General-Writing Solicitors, Though This Is Welcomed By Some

A danger to the present life insurance agency system is seen by some in the tendency on the part of life companies to bid for the time of each other's agents. Some companies which simply write life insurance without any of the frills find that other companies are getting in touch with their agents and importuning them to sell accident and health insurance, noncancellable disability insurance, group insurance, substandard life insurance and various other things that are not issued by the life company that does not wish to take on any of the sidelines. The life companies that are selling the extras take the position that they are committing no serious offense in trying to make agency arrangements with men connected with other companies for the reason that no effort is made to induce an agent to switch his life business but merely to have him write those classes of business that his original company does not issue.

#### Disturbing Effect on Agent

There is no denying that this competition for an agent's time is not having a certain disturbing effect upon agents. For example, if an agent commences placing his substandard business with another company, if he writes group life insurance for still another company that specializes in this class, and then writes accident and health insurance for yet another company he commences to scatter his efforts, to feel that he is put to considerable inconvenience to writing his business, and to get the idea that he ought to be connected with one company that might take care of everything that he wants to write.

#### Renews "Specialist" Arguments

This is simply another angle of the old argument over whether an agent makes more money by being a life insurance specialist or by writing every class of insurance which he has an opportunity to place. There are several arguments for both sides of the case. All life men of the old school are opposed to an agent's taking on sidelines if the agent is capable of writing any considerable amount of life insurance. An agency superintendent in giving his views said, "Just figure out how the thing works in the mind of the agent. He goes to a man on a life insurance proposition. He is told that the prospect has all the life

(CONTINUED ON PAGE 17)

### ANALYZE AGENCY WORK

EFFORT OF RESEARCH BUREAU

Lines Along Which the Important Investigation At Carnegie Institute Is Being Carried On.

The Life Insurance Sales Research Bureau located at Carnegie Institute in Pittsburgh has secured three new members, being the Imperial Life of Toronto, Penn Mutual and Maryland Assurance. The Bureau is serving as a clearing house of monthly sales statistics of the life insurance business showing a total business of about 40 companies in each state of the Union and each Canadian province. Figures for each company are credited to the state in which the business is being done and percentages are figured which furnish a sales index of conditions there.

#### Attention to Personal Element

The Bureau is giving special attention to the study of the human element. Up to the present time the contributions made by the Bureau in this connection have been the devising of forms that are useful in determining the merit of men who are under consideration for an agent's contract or for appointment as general agent. The sources from which the best agents are drawn and the methods of tapping these sources are also to be investigated.

The Bureau is serving as a center of information as to how agency departments are operated. It issued a report which gave a composite picture of the agency departments of 24 companies. The work carried out by the agency department is analyzed and classified in this report so as to make clearly evident the exact relation that each separate function of the department bears to the whole and to the other parts.

It is found, for example, that every agency department has six main lines of work. These are:

(a) Field Supervision—Visits to agencies, the holding of meetings, the appointment of general agents, supervision of correspondence, etc.

(b) Sales Promotion—Publication of house organs and bulletins, prospect bureau, advertising campaigns, circularizing, honors and clubs, etc.

(c) Records and Contracts—Making of contracts with agents and general agents, termination of contracts, commissions and allowances, records of production, and in fact all records concerning agents.

(d) Training—Correspondence courses, work of traveling instructors, training work at the home office, agents' manuals, developing agents to become general agents, etc.

(e) Planning and Research—Including a number of items not usually considered as research, such as the study of markets for life insurance, analysis of weak agencies, the accurate measurement of agency successes, making quotas, etc.

(f) Conservation of business in force, whether it be through agents or direct with the policyholders on the part of the home office.

Further research is being made on

### PRESIDENTIAL GOSSIP

DAY IS OUT OF THE FIELD

Chicago is Making Strong Effort to Land Next Year's Convention of Life Underwriters

While some of the friends of Darby A. Day of Chicago, manager of the Mutual Life in that city and president of the Chicago Life Underwriters Association, will insist on him becoming a candidate for the presidency of the National Life Underwriters Association, Mr. Day, himself, is not grabbing at the choice morsel that is being dangled before his eyes. He has made a wonderful record as president of the Chicago association and has increased its membership to 650. It is understood that Mr. Day will agree to serve a second term as president of the Chicago association and try to increase its membership to 1,000. He feels that he can do a greater work in this regard than as president of the national body.

#### Wants Salaried Secretary

Mr. Day is anxious to make the Chicago Association a real service giving body and hopes that by the end of next year a salaried secretary can be employed and that something can be done to raise the standard of life insurance salesmanship in the city. Mr. Day is anxious to get the national convention in Chicago next year. He has headed a subscription list giving \$1,000 toward the expense fund. It is thought that \$10,000 can easily be reached and when the veteran Chicago booster, Jules Girardin of the Phoenix Mutual at Chicago, invites the crowd to go to that city, at the time of the Toronto convention he will be able to give substantial evidence of the interest of the Chicago association in the project.

Detroit, however, is after the convention on all fours. It is making things hum and is putting forth many arguments why the convention should go there in 1923. Des Moines, Omaha and Chattanooga are also making bids. Inasmuch as the National association now requires very adequate hotel and auditorium facilities only the larger cities can handle the crowd.

#### Presidential Conjectures

There are numerous conjectures as to who will secure the presidency. The favorite up to date is A. O. Eliason, home office agency general manager of the Minnesota Mutual of St. Paul. Mr. Eliason has served as chairman of the national executive committee and is a live man in every way. A large number of agency leaders would like to see Franklin W. Gansse of Boston, manager of the home office agency of the Columbian National Life elevated to the presidency owing to his excellent work as chairman of the national executive committee and service he has given the life insurance fraternity in presenting its use for inheritance taxes.

the individual items composing the above general outline of agency work wherever companies express a desire to have more complete information.

### DANGER SEEN IN NEW WESTERN CONFERENCE

Commissioners' Body Organized at Denver Not Welcomed in East

### MAY WEAKEN BOTH BODIES

Diversity of Opinion on Many Matters—New Group Leans to Assessment Concerns

NEW YORK, Aug. 1.—Federal supervision of the insurance business will be furthered as a result of the newly formed American Conference of Supervising Insurance Officials being organized at Denver according to the consensus of opinion among eastern insurance officials.

It is not that this is considered desirable by the companies in question, but the belief is expressed that with two organizations of insurance supervisors in the field, one east and one west, there is bound to be a diversity of opinion on numerous points and as a result both bodies will lose their influence with the insurance companies and the companies themselves will be at sixes and sevens when it comes to attempting to co-ordinate the differing opinions of the two bodies.

#### Reported Well Organized

According to reports brought east, the new conference is already a very well organized affair and its policies definitely adopted and made known in a series of resolutions passed at the meeting. While the number of states represented was not imposing, it is believed that the other western states will adhere to the decisions of the conference because to do so would apparently make it much easier for some of the local companies in the middle west to pass the test of solvency and operate on a basis which will suit themselves.

While the new organization does not pretend to interfere with the National Convention of Insurance Commissioners, it is hard to see how anything but confusion can result if the new organization carries out its announced plans of working for separate state bureaus of regulation for both fire and compensation insurance, and adheres to the interpretation of fire insurance profit which is distinctly at variance with that adopted almost unanimously at the December meeting of the commissioners in New York last year.

#### Break from Conservatism

Eastern underwriters are commenting on the fact that the new conference's interpretation, sounds very much like the minority report on the subject presented to the commissioners' convention last December by Commissioner Bruce T. Bullion of Arkansas. The seriousness of the whole situation arises from the fact that the

National Convention for years has handled its unofficial authority in a conservative manner, as a rule, and the ground taken has usually been so eminently sound that the various state courts have quite generally upheld the moves of the commissioner.

Of course there has been talk off and on that too much of the eastern ideas prevailed and that the convention was dominated too strongly by such states as Massachusetts, Connecticut, New York and lately by Pennsylvania, to suit the middle west commissioners, who were often found to be better politicians than underwriters. As a matter of fact, however, the stability of insurance companies in the eastern states has been encouraged by the stringent laws regarding reserves and other regulations and the well organized insurance departments in several of the eastern states have helped to keep the insurance business on a high plane.

#### In Slap at Eastern Companies

While the effect of the Western Conference on the business of the eastern companies may not be strong at all in the long run, the fact that a drastic retaliatory resolution was adopted by the Western Conference, is looked upon as a distinct slap at the eastern companies, because the admission qualifications for companies laid down in this resolution are such that no western company, having these as a minimum, could hope to enter the eastern states on any such basis.

Then when admission was refused on these grounds, because the eastern state laws, backed up by countless legal decisions, would prevent admission, the licenses of eastern companies in the states covered by the Western Conference, could automatically be cancelled. In fact the conference seems to be going out of the way at the start to discourage eastern companies from going into the west by adopting any such retaliatory resolution.

The cry of "Let's keep our money here" is no new one by any means, as in times past, several states from time to time have echoed that slogan. The present move more closely resembles in its possible effect the Texas exclusion act, better known as the Robertson law, which for more than ten years has succeeded in keeping out of that state practically every life insurance company of the east, which formerly operated there.

#### Condition of Executives

Further, the fact that the new Western Conference is co-operating with the executives of a large number of western companies, which apparently have been working hand in glove with the supervising officials of the western states backing the new conference, shows that the trans-Mississippi situation has developed into a definite coalition between commissioners and companies, for the purpose of letting down the bars as to insurance supervision, so that local companies, be they strong or weak, may have the necessary recognition from their state officials.

The fact that the companies attending this meeting in Denver, also intend to form a permanent organization, would indicate that there are to be dissections in other casualty and life associations devoted to the insurance business, for how otherwise could existing company organizations, which have invariably co-operated with the National Convention of Insurance Commissioners, reverse themselves as to reserves and regulation as would be necessary if they subscribed to the views of the new Western Conference?

With a legislative session only a few months away, during which the legislature of some 42 states will be in action, it would readily be seen that the established companies in the east and also in the south will be compelled to fight for their very existence in those states whose commissioners have

## DEATH OF COL. GREEN

### BIG TEXAS GENERAL AGENT

Had Charge of the Manhattan Life's Business in That State for Many Years

DALLAS, TEX., Aug. 1.—Col. Abe A. Green, general agent of the Manhattan Life at Dallas Texas for the past 25 years, died early this morning, age 65 years. He had been in poor health for several months following a nervous breakdown last fall. The funeral services will be held tomorrow. Colonel Green was a big man personally as well as physically. For years his general agency, which covered the state of Texas, lead all others in the production of business. He had a wide acquaintance throughout the state as well as elsewhere in the south and was considered one of the best informed life insurance men in the field.

Before entering the life business he was engaged in cattle raising in Texas and was discovered by the late Henry B. Hyde, founded and first president of the Equitable Life. Mr. Hyde appointed Colonel Green General Agent in Texas for the Equitable and he was connected with that company for many years up to the time he joined the Manhattan Life. It is recalled that Colonel Green's knowledge of the business was considered so exceptional by the late Mr. Hyde that he called the Colonel to New York when the company instituted its tontine policies. It was Colonel Green who explained the new idea as it was then to the Equitable field men.

The agency will be carried on by Abe A. Green, Jr., who has been associated with his father at Dallas for several years under the style of A. A. Green & Son. The officers of the Manhattan Life have expressed great appreciation of Colonel Green personally as well as his record with the company.

#### William Bacon Resigns

Wm. Bacon, pioneer representative in Texas for the Bankers Life of Des Moines, resigned recently as agency manager for the Dallas, Texas, agency. Mr. Bacon sold the first application ever sold for the Bankers Life of Texas, was the first general agent for the company in Texas and was, at that time, the youngest general agent in the Bankers Life field. Mr. Bacon resigned in order to devote his time to other business interests.

subscribed to the principles laid down by the new Western Conference.

#### Mutual and Reciprocal Lending

Another attitude which will not prove popular with the eastern companies—particularly the compensation carriers, is the thinly veiled leaning of the new conference towards assessment companies, mutuals and reciprocals, for among the resolutions adopted was one condemning advertising campaigns and propaganda instigated by any one class of insurance organizations for the purpose of injuring another class. Apparently the Casualty Information Clearing House is aimed at in this resolution, at least that is the way it looks in the east.

The officers elected by the new conference it is noticed, include among their number, several commissioners who have been inclined to be hostile toward stock insurance companies and such being the case, eastern companies that have already met some of these officials in the courts and beaten them there, know that they can expect little consideration for their views if backed up by those of similar state officials banded together, under the name of the American Conference of Supervising Insurance Officials.

## BIG MONTH IN DETROIT

### AGENCIES ARE DOING NICELY

Life Officers In the Big City Have Met With Great Success During the Season

With two of the insurance men's bogey months past history, and only one more, August, to encounter, the H. Wibirt Spence agency of the Mutual Life of New York at Detroit, has successfully fought off the hot weather enemies to production, such as vacations, baseball games, excursions, and other excuses found in the category of the agents' summer complaints, with a "whale" of a big business, both written and paid-for in the past two months of June and July.

The reasons underlying this splendid showing of the Spence agency during these two months, can be traced to the personal leadership of Mr. Spence who has stood on the battle line all summer with his agents. Just to show the wonderful spirit shown by this agency manager, one can easily see why the men are working and cooperating with each other, by the following characteristic answer to one of the agents who dropped in the manager's office recently and told Mr. Spence that he couldn't write much business as every one in Detroit has gone on a vacation. Mr. Spence shot back this reply:

"You must be mistaken, Old Man, the streets of Detroit are never deserted. Why don't you think there are as many people running around as usual?" The agent thought a moment, and replied that he guessed there were as many, and left the office to write another ten.

#### Spence Had Great Month

\$3,000,000 in new business was written by the Spence forces in June and July, with almost \$1,750,000 paid-for during the same period. This wonderful written business brought the total written business for the year to \$9,400,000 and the Mutual Life's Detroit quota has easily been passed in paid-for business.

Leo E. Thomas, one of the big Detroit underwriters, placed \$177,000 of paid-for business with the agency during July and by doing so, held a good lead over the other agency men. Mr. Roe Carleton, one of the new men of the agency, continued his exceptional record, by paying for close to \$40,000 in July.

Harold Larson led the field in June with \$77,000 of paid-for business. This is a splendid record, when one considers he led the May field with a paid-for business of \$147,000.

### CLEVELAND FORCE AT OUTING

Grizzard Insurance System Celebrates Its Achievement in Writing Large Business At Cleveland

CLEVELAND, O., July 31.—On Saturday thirty-five agents of the Grizzard Insurance Savings System held a picnic in celebration of the feat of writing over \$1,000,000 insurance during June.

James A. Grizzard, national controller of the system, congratulated the Cleveland organization on writing over \$9,000,000 insurance since the office was established, less than a year ago. He also commented on the work that the Grizzard offices in other cities are doing.

D. A. Hanlin, manager of the Cleveland office, spoke briefly and complimented the agents on their excellent work. Each man pledged an increase for the coming year. The Grizzard system is operated here in connection with the Brotherhood of Locomotive Engineers' Co-operative National Bank.

## INTERESTING PHASES

### WASHINGTON PECULIARITIES

Some of the Factors That Affect Life Insurance Production in the District of Columbia

By GUY C. SANBORN

WASHINGTON, D. C., Aug. 1.—The life insurance situation in this city presents some interesting phases from an agency standpoint. This city has a population of 400,000 or more. Difficulties are presented here that the life insurance men of cities of similar size do not find. Probably 25 percent or more of the population are colored people. The colored people are not large purchasers of ordinary insurance.

Life insurance prospects here in Washington are largely confined to salaried government employees, tradesmen, some professional men and the better paid general employees. It is interesting to note that the employed classes in this city maintain as a rule a higher standard of living than people of similar incomes in other cities. This in a way restricts the money available for insurance. Take the general run of people and you do not find many policies running beyond \$25,000 or \$50,000. The \$100,000 policy is very rare, indeed.

#### Have Multiple Agencies

One peculiarity rarely found in a city of this size is the large number of general agents of representative companies who carry on a local fire and casualty business in connection with life. They say that they cannot make it go selling life insurance alone. Two or three agencies have been making conspicuous successes in the last two years, they having broken away from the multiple line agency plan. Most of the general agents here seem to be optimistic over the prospects and found July a very satisfactory month.

### NELSON IS MARATHON HEAD

Coveted Honor of Northwestern Mutual Producers Goes to Star From Peoria, Ill.

MILWAUKEE, WIS., Aug. 1.—Agents of the Northwestern Mutual Life of Milwaukee, who, during the course of a year, write insurance on 100 or more lives, become eligible for membership in the Marathon Club, a coveted connection. Members for the period 1921-1922 are:

W. M. Avery, Rochester, N. Y.; Mrs. D. E. Bagwell, Atlanta, Ga.; Pear Benson, Superior, Wis.; Herman Dubal, New York City; L. L. Erickson, St. Paul, Minn.; G. B. Francis, Springfield, Ill.; N. A. Free, Lewiston, Me.; B. C. Fuller, Vincennes, Ind.; Harry Greene, Omaha, Neb.; P. R. Hathaway, Bryan, Ohio; A. A. Hauser, Hartford, Wis.; N. R. Hill, Williamsport, Pa.; W. H. Kelly, Fort Atkinson, Wis.; Christian Klein, Quincy, Ill.; E. A. Kohl, Belleville, Ill.; G. A. Morse, Waterville, Me.; J. D. Murphy, Bangor, Me.; B. C. Nelson, Peoria, Ill.; G. C. O'Roke, La Salle, Ill.; C. A. Phelps, New Berlin, N. Y.; E. T. Proctor, Paducah, Ky.; A. C. Ringo, Anderson, Ind.; W. L. Shearer, Lexington, Ky.; J. T. Stephany, Wisconsin; T. M. Waldrop, Oklahoma; A. J. Young, Escanaba, Mich. Officers of the club are: B. C. Nelson, president, 228½ lives; C. A. Phelps, vice-president, 193½ lives.

#### To Elect President

A meeting of the board of directors of the Ohio National Life will be held Thursday of this week to elect a successor to their late president, Alfred Bettinger.



## AGAINST GROUP POLICY

### PACIFIC MUTUAL'S POSITION

**Vice-President Baker Explains Equivalent Type of Work Promoted by That Company**

Some of the reasons for the Pacific Mutual not writing group policies have been outlined by D. M. Baker, vice-president of that company, together with the plan of the equivalent type of work undertaken by the company. Mr. Baker said that the Pacific Mutual has never written group insurance and does not intend to do so. He believes that the industrial plant offers splendid opportunities for the agent, but that the results are best when approached on the individual plan, rather than the group plan. Every good business man believes in life insurance and the cooperative efforts of these men with insurance agents in the solicitation of employees will net greater results than writing on a group plan. The possibilities in this work are so great that many agents could well afford to devote their entire time to the work. While large plants would offer a great field for individual writing, the small plant would be equally productive, the employees being in closer contact with the business man whose influence the agent would secure. Larger plants might cooperate to the extent of financing the premiums. The smaller ones would not be able to do this, but would only be asked for assistance in meeting the employees under favorable circumstances.

#### Work in Individual Solicitation

Mr. Baker cited several examples of the company's work along the line of individual solicitation in industrial plants, showing that it is more productive for the agent than the acquisition of a single group policy on the plant. He said:

"While group insurance occupies a large place in life insurance, there are many advantages over the group plan in the individual policy plan. Several years ago one of the largest banks in New Orleans provided each of their officers and employees with individual policies, the bank paying the premium. This was done for two reasons. First, for the purpose of establishing a plan that would involve the employment of only healthy men and women; and, second, the employment of men and women whose dependents were provided for.

#### California Concerns Plan

"Only recently one of the bank and trust companies in Los Angeles, with over 1,000 employees, has adopted the same plan. Another corporation in southern California, with 5,000 employees, has issued a pamphlet over the signature of one of its vice-presidents, recommending life insurance and the Pacific Mutual in particular; agreeing to honor orders given for premiums on a monthly basis, the corporation advancing the premiums for employees on an annual basis. This corporation extends the right to our agents to talk to the men during working hours; in fact, goes so far as to instruct all of its superintendents to introduce and help our agents in their canvass for business. The result is that over \$1,500,000 of life insurance has been sold during the past four months, and we have no doubt but that three or four millions of life insurance will be placed with the employees of this corporation by the time the canvass is finished and that the plan will be a constant source of desirable business.

#### Noncancellable on Same Basis

"There have been more than a score of banks and corporations that have placed noncancellable income contracts on their officers and heads of depart-

## GOES ON RESERVE PLAN

### CHANGES TO OLD LINE BASIS

**Commercial Travelers Life & Accident Association of Cleveland Gives Reasons for Its New Move**

In a letter recently sent out to its certificate holders the Commercial Travelers Life & Accident Association of Cleveland announces its intention to change to a legal reserve basis, and gives the reasons.

The Association was started in 1880. After operating on the assessment plan for 42 years, it was found that the rates were too low. Actuary S. H. Wolfe of New York was employed to work out the computations involved in the change.

#### Will Distribute the Assets

Premiums will be at attained age, and the American 3 1/2 percent table will be used. The equity which the members have in the way of accumulated reserves will be used in the reduction of premiums. Existing assets amounting to about \$350,000 will be distributed among the certificate holders who transfer to the level premium basis. The plan is to go into effect Jan. 1. Transfers can be made without medical examination.

The new policies, which will be participating, will provide cash surrender, paid up and extended values after three years. Certificate holders who have not converted to the legal reserve basis by that time will be put in Class A, subject to any assessments found necessary to meet the increasing mortality. The association has about 11,000 certificates in force, for a total of \$7,100,000. Business written in 1921 amounted to \$99,000. C. A. Nesbitt is president and R. B. Wright secretary of the company.

ments, the corporations paying the premiums. These corporations feel a moral obligation for the welfare of their people in case of total disability or death and use this way as a systematic means of making proper provision, instead of following the old plan of 'crossing the bridge when you get to it.'

"Every good business man believes in life insurance protection, not only for himself but for the members of his family, business associates, employees and neighbors, in order that in case of death they will not become a charge upon himself, personally, or upon society. I believe it would be well for our agents to devote some of their time to this branch of the business. I believe it is possible to interest employers of small groups of men, at least to the extent of their moral influence along this line. I believe an employer of even 25, 50, 75 or 100 men, whose employment is considered reasonably permanent, would ordinarily take an interest in the amount of life insurance carried by each individual employee. I think some of these employers would go so far as to personally talk over the subject with their men and advise them by word of mouth or circular letter to carry ample life insurance protection. There are probably not many small employers who would be willing to pay for a group policy or for individual policies, but they would at least interest themselves in the subject and make it easy for the agent to solicit them."

#### New General Agents Installed

William H. Kingsley, vice-president of the Penn Mutual, gave a luncheon this week to the newly appointed general agents for the company in Baltimore. They are William Wootton, Martin B. Freeman and F. Bowie Addison. The agency was recently made vacant by the death of Dr. Andrew B. Chalmers.

## TEXAS OUTLOOK GOOD

### PREMIUM NOTES BEING PAID

**Experience Satisfactory on that Class of Business — Bumper Crops Promise at Least Normal Year**

DALLAS, TEX., Aug. 1.—While these are generally considered the "dull times" in the life insurance, Dallas companies and state agents having headquarters at Dallas report "everything sitting pretty." Many of the state agents reported an increase of business over the last months, more of them reported an increase over the same month of last year and not one of the companies or agents reported less business than that for the preceding month.

The fact is the agents and companies are taking in more money right now than they have for several months. This is due to two reasons:

1. The companies and agents have an "army of insurance sellers" in the field and these men are selling insurance.

2. The agents and companies are realizing cash on notes taken earlier in the year for premiums on first and second year business, when the insured was unable to pay cash.

#### Notes Paid When Due

There was a considerable amount of such notes taken by agents and companies during the early months of the year when things were tight. These agents took the position that the insured needed the protection, that he had paid one year premium and would pay the second if given the time. In some instances a payment of \$3 was taken and notes made for the remainder. In other case notes were taken for the entire amount.

The agents and companies were right in their opinion. The insureds have made good crops or have them in sight. They have saved a little at a time and are able to take up the notes. They are taking them up.

Agents and companies extending premiums and protection through notes believe now they will not lose a dollar. Further, they have learned a lesson which will be of value in the future. That is short time notes for premiums are about as good as cash if the agent is able to carry them.

The outlook for the life insurance business in Texas is brighter than it has been for some time. The producers of east Texas have marketed \$15,000,000 worth of berries, fruit, tomatoes and melons. There is money in that section and more coming from potatoes—some \$10,000,000 of it. Still more is coming from cane and cotton—about \$50,000,000. The insurance men are not overlooking things like these. They are on the ground and are selling insurance policies.

In north, central, west Texas and the Panhandle there is a \$50,000,000 grain crop being marketed. Agents report there is a better demand for insurance right now than ever before and the only thing needed is to convince the prospect that he is able to carry it.

There is a cotton crop estimated at \$400,000,000 growing in Texas. Some of it is reaching the market. In a month more a considerable amount of it will be on the market. The cotton crop covers all sections and the insurance men expect to be able to collect all notes and sell a large amount of insurance between now and Nov. 1.

It may not be a banner year in Texas for life insurance but it will be a normal one, insurance men declare.

The New York Life reports that the largest mail in the history of the country was received on July 3. On that day 3,281 applications were received for \$11,914,133.

## COMPANY'S ROUND-UP

### COLUMBUS MUTUAL PROGRAM

**Annual Convention of the Agency Forces Will Be Held at Cedar Point, Aug. 16-18**

The program for the annual convention of the Columbus Mutual Life at Cedar Point on Lake Erie, Aug. 16-18, is:

#### Wednesday, Aug. 16

10:30 a. m.—Convention called to order and address of welcome by President C. W. Brandon.

Response by James A. Grizzard, President of the Convention.

Address by B. B. Beck of Massillon, Ohio.

Address by H. O. Cramer of Columbus, Ohio.

2:00 p. m.—"The Cleveland Agency," S. A. Hoskins, Treasurer.

"Reminiscences," George M. Fox.

Papers by the Cleveland Agency, H. B. Tibbals, Chairman:

"What the Contract Means to Me," H. B. Tibbals.

"My Personal Experience with the Contract," J. J. Dvorak.

"Chart Talk on the Contract," W. W. Bussong.

"Actual Results," Ivan T. Quick.

"A Scientific View of the Contract," A. H. Weinstein.

#### Thursday, Aug. 17

9:30 a. m.—"The Michigan Agency," Judge J. M. Sheets, General Counsel.

Address by J. R. Ramsey of Ferndale, Mich.

Papers by the Michigan Agency, Myron Hawkins, Chairman:

Myron Hawkins of Charlotte, Mich.

Elmer A. Newark of Lansing, Mich.

James Van Wagoner of Pontiac, Mich.

L. R. Cochrane of Hastings, Mich.

(Note—Boat ride and luncheon for the ladies. Boat leaves Cedar Point at 12:00 noon. Luncheon at Put-In-Bay at 1:00 p. m.)

2:00 p. m.—"The Illinois Agency," Dr. W. B. Carpenter, Medical Director.

Addresses by Edwin E. Besser, Jr., of Chicago; George S. Galloway of Chicago; L. L. Montgomery of Chicago.

Papers by the Illinois Agency, E. E. Rullman, Chairman:

"Why the Hundred Thousand Dollar Per Month Illinois Agency Recommends to Its Clients Perfected Endowment Policies Issued Exclusively by the Columbus Mutual," E. E. Rullman.

"Why a Service Agency?"

"Why Not Term Insurance?"

"Why Not Limited Payment Life?"

"Why Columbus Mutual?"

"Why Not Whole Life?"

"Why Not Endowment?"

"Why Perfected Endowment?"

#### Thursday Evening

6:30 p. m.—Banquet at Hotel Breakers, "The National Association and Its Benefits," John L. Shuff, President of the National Association of Life Underwriters.

Remarks by C. M. Cartwright, Editor of The National Underwriter.

Rev. Albert E. Potts of Lansing, Mich.

Orville Thorpe, ex-President of the National Association of Life Underwriters.

W. W. Mack, editor of the "Weekly Underwriter" of New York.

#### Friday, Aug. 18

Joseph W. Velt, Chairman.

9:30 a. m.—Question Box, D. E. Ball, Secretary.

Business Session:

Debate: "Resolved that the Twenty-Payment Life Policy Is the Best Form for a Man Aged Thirty."

Messrs. Velt and Abdella—Affirmative.

Messrs. Weiffenbach and Fiedlerjohann—Negative.

Reading of Agents' Papers.

Awarding of Cups.

Adjournment.

#### Brown Made Assistant Treasurer

Herbert E. Brown, who has had charge of the policy loan department at the home office of the Pacific Mutual, has been appointed assistant treasurer. He is a nephew of Dr. George A. Moore, for many years president of the Pacific Mutual.



## LIFE INSURANCE SEEN IN THE UPWARD TREND

New York City Business Reported at About 15 Percent Increase

### MAY EQUAL 1920 RECORD

Though This Is Not Fully Anticipated, There Is Certain To Be Healthy Gain Over 1921

NEW YORK, Aug. 1.—Every indication points to the fact that the life insurance business in and about New York City is again on the up trend. Most companies report the last two months as distinctly favorable and as being an improvement over the corresponding months of last year.

Business in the west and south is also holding its end up pretty well with the majority of companies operating here and the belief is quite generally expressed that the year 1922, while it has little chance of emulating the marvelous peak year of 1920, nevertheless it will probably show a slight increase over the year 1921. Naturally, conditions vary in different companies depending upon the activity of their agency force and also upon the spread of their business.

#### New York City Gains

New York City agencies of the leading companies indicate that there has been a distinct improvement in volume for the first six months of this year and several of them are substantially ahead already of their last year's writings. That an average gain of 15 percent over the first six months of 1921 will be shown, is a fair estimate and there is every expectation on the part of agency managers that with a comfortable increase in new business for the first six months of this year, there is a first-class chance of bettering 1921 figures before the year closes.

Some of the New York City agencies, which have been growing rapidly, have much larger percentages of increase than that mentioned above but it is improbable that there are more than one or two agencies which can figure as high as a 25 percent increase for the six months' period already elapsed. There is no indication that 1922 local business will equal or pass the figures for 1920, though in a few of the big agencies which have been growing rapidly this will undoubtedly be the outcome.

The out-of-town companies, which are capably managed in New York City, have shown some surprising results already this year indicating that from the standpoint of the policyholder it makes little difference whether the business is written in a domestic or a foreign company so long as the agent himself sells the goods.

#### Group Business Improved

Group insurance business has picked up wonderfully this year as compared with last and it is admitted by some home offices that they would not be at all surprised if the group total for this year would show a much larger percentage of increase than that of the ordinary personal business.

Men of large means who practically went out of the life insurance market in 1921, are apparently coming back for corporation insurance in large numbers. The policies, however, will not average quite as high as in previous years and there is little heard from agents as to exceptionally large lines being written.

## TO HELP IN HOUSING

### NOW INVESTING IN DETROIT

Metropolitan and Prudential Reported as Opening Extensive Loan Campaigns in that City

There is considerable interest among the builders of Detroit, Mich., because the life insurance companies have decided to invest some of their surplus money in real estate mortgages there and thus stimulate construction. The Metropolitan Life has arranged with the Union Trust Company in Detroit to act for it in its Detroit loans and it intends to make loans for home building of the smaller type at a 6½ per cent basis. Frank W. Blair, president of the Union Trust Co. stated that at least \$100,000,000 would be made in loans during 1922 by the Metropolitan Life and that a good share of that would be loaned in Detroit.

It is also reported that the Prudential has been making a number of loans here at 6 to 6½ per cent interest and that they were taking from \$1,000 to \$1,000,000. In the list of real estate mortgages recorded daily the Prudential is usually prominent with loans of various sizes and some of them running into considerable money. The Thomas Mortgage Company claims to handle the Prudential money, and Mr. Thomas, head of that company, said that the Prudential would loan up to 50 per cent of the value of the project. He also stated that there was no limit to the size of the loan and that they would consider small ones as well as large ones.

The builders of Detroit have been trying for some time to get insurance companies to enter that field and help in solving the housing problem, as many prospective builders were compelled to pay a high interest and also a bonus.

#### Chamber of Commerce Committee

Julius H. Barnes, president of the Chamber of Commerce of the United States has selected an insurance advisory committee composed of the following: Harry A. Smith, president, National of Hartford; James S. Kemper, president, Lumbermen's Mutual Casualty; S. S. Huebner, insurance expert, United States Shipping Board; J. B. Levison, president Fireman's Fund; Clarence L. Ludlum, vice-president, Home, of New York; E. L. Watson, president, Providence Mutual Fire; Charles M. Kerr, president, Farmers of New York; George D. Markam, St. Louis local agent; Don R. McLennan, of Marsh & McLennan; John G. Wickser, president, Buffalo Fire; David Brown, insurance manager, the Texas Company; Haley Fiske, president, Metropolitan Life; F. Highlands Burns, president, Maryland Casualty, and H. G. B. Alexander, president, Continental Casualty.

The fact, however, that the soliciting agents feel more optimistic as to business conditions indicates that their experience in their canvass is encouraging. Agency managers, while not putting on many additional men, believe that it is better business to see that their present agents are properly instructed so as to increase their production. With this end in view, several general managers have arranged for scholarships for even their experienced men in the School of Life Insurance Salesmanship to be opened about October 1, by the New York University. At this half-way point in the production year, the indications are more favorable than they have been for the past twelve months and the permanency of the business is assured thereby.

## WANT LIBERAL BASIS

### DISCUSS PROMOTION EXPENSE

Nebraskans Seek Less Stringent Rules for Organization, While Commissioner May Ask Legislation

LINCOLN, NEB., Aug. 1.—Several efforts have been made in recent weeks to secure the consent of the Nebraska department of trade and commerce to plans for the incorporation of several new insurance companies under less stringent rules than Secretary Hart and Commissioner Young have been insisting shall apply in the matter of expense of organization.

The state law provides that the expenses of organization and promotion shall be governed by such rules and regulations as the department may draft. The two officials named have been insisting that 10 per cent shall cover the expenses of both promotion and organization. The organizers insist that this is too small a margin. Several delegations have called on the governor, who is the legal head of this bureau as well as of a number of others, but he has refused to interfere with this discretion.

Mr. Hart is determined that no such fiasco as marked the history of the Bankers' Fire shall be repeated. The plan upon which that was organized, its stock being sold above par by a holding company of insiders who bought the entire issue of stock by merely giving their note and then hiring agents to dispose of it, was rigged up to yield something like \$300,000 in profits to this group. They came out with a good round sum, but were compelled to put back \$100,000 of it by the department, and other losses reduced their profit.

At the present time the statute gives these rules and regulations of the department the full force and effect of law, but apparently some of the promoters think that pressure from above can force a change of attitude on the part of the bureau chiefs. The possibility of this happening has brought Mr. Hart to the point where he proposes to recommend to the legislature the passage of a law that will definitely limit organization and promotion expenses.

#### Report of Beneficial Life

SALT LAKE CITY, UTAH, Aug. 1.—The convention examination of the Beneficial Life of this city, participated in by Utah, Wyoming, Arizona, Idaho and Nevada, shows that the company has admitted assets of \$4,113,196, and gross assets of \$4,213,749. That its limit on individual risks is \$10,000 and that there are re-insurance arrangements with seven other companies. The examiners observed that the company had been very liberal regarding the payment of premiums, so liberal in fact, that its policy called for criticism. First, and even second year premiums were being carried on notes. The examiners, also, thought that an amount of \$194,901 listed as cash on hand and in banks was too much and could be invested to better advantage. The Beneficial was established in 1903 and was stated to be in good financial shape.

#### Licensed in Mississippi

The Continental Life of St. Louis has been licensed in Mississippi. A. W. Garaway has been appointed general agent in charge of the central and southern part of the state. He has been a leading producer for the Penn Mutual. Mr. Garaway makes his headquarters at Jackson. He is a graduate of Millsaps College. He served 18 months in the army as an officer. He joined the forces at Bufkin & McLean, general agents of the Penn Mutual in Mississippi.

## BETTER OUTLOOK IS SEEN FOR FARMERS

Life Men Show the Necessity of Protecting Family Against Obligations

### MONEY IS NOW EASIER

Observers Say That With the Sale of This Year's Crops, Conditions Will Be Easier

The general impression of men who are soliciting life insurance among the farmers is that with the sale of crops this fall there will be more insurance purchased. The agents have been put to it to hold the business on the books or even part of it. The lapse ratio in the agricultural districts has been heavy on account of the great shrinkage in values, the lower prices of farm products and the debts that farmers had incurred. However, money is much easier and farmers are able to get money at a smaller interest rate. Two or three years ago they had to pay 8 per cent but now can get it at 6. This is acting as an easement. The tenant farmers are undoubtedly having the hardest time of it. There are many farmers that got beyond their depth, had speculated during the flush period, bought land at high prices and purchased luxuries without stint.

#### Covering All Obligations

The big argument that life insurance agents are making to the farmers is the necessity of buying enough insurance to cover all obligations and to leave the farm and the possessions free from debt. The farmer generally says that he is not able to pay for the insurance. Then the agent comes right back and shows him how much more perplexing would be the predicament of his family if he died. A farmer who has been prosperous in the past and owns his farm can usually get a loan at the bank. The other day an agent said that the main excuse offered by the farmers for lapsing insurance and refusing to purchase any is the additional expense and the need for the utmost economy.

#### Should Not Bequeath Obligations

"It is then that I get in my best licks," said the agent. "I tell the man that he has no right to incur obligations unless he is able to protect them. He should not bequeath obligations to his family. I then tell them what a serious matter it is to hand on a lot of debts to beneficiaries. A man feels a sense of pride if he can bequeath property or possessions to his family, but when he is loaded up with debts and his family has to work out the problem, it becomes mighty serious. I tell the man that there is a responsibility from which he cannot escape. I show him the absolute necessity of scraping together enough money to pay insurance, cover all his obligations so that if he can do no more he can at least keep his family out of debt. To me that is the biggest argument and the biggest message that we can convey to the farmers. Then, of course, when he is free and can purchase more life insurance to create an estate so much the better."

#### Manhattan Life's Meeting

Members of the Manhattan Life's \$100,000 Club will hold their gathering this year at the Hotel Statler, Detroit, August 23-25.

## UNDER-AVERAGE RISKS AND THEIR TREATMENT

Interesting Address Made by W.  
R. Halliday of the Southern  
States Life

### SHENANDOAH LIFE'S MEET

Gathering of the Agency Forces in  
Annual Convention Held at the  
Home Office

ROANOKE, VA., Aug. 1.—The growing interest of active life insurance producers in the home office end of agency production was evidenced to a high degree in the annual convention closing here today of the leading producers of the Shenandoah Life. Undoubtedly the crux of the agency program was the address by W. R. Halliday, vice-president and actuary of the Southern States Life.

Mr. Halliday had just come from a meeting of his own company's forces at Atlantic City where he delivered an exceedingly instructive address upon "Insurable Interest." In his address here Friday the vital tone of his discussion was an earnest appeal to all life men to come clean and square with the home office in submitting business. His insistent thought was that while the various departments handling the case had every opportunity under the most improved methods of gaining accurate information on every point at hazard concerning the prospect, the attitude of the agents had a significant bearing on the application.

#### Takes Up Impaired Risk Service

He pointed out that through the generosity of the New York Life the smaller companies had now at their disposal the most complete data possible regarding impaired risks and that that company had now made possible to the Shenandoah to give the same service to the agents and insuring public that was being given by the largest company in the country.

Through the tables furnished by the New York Life as well as those prepared by all the companies through the Actuarial Society the company, he said, is not afraid to insure impaired lives. Whatever the impairment might be, so long as it was known it could be measured and the premium adjusted accordingly. What the company has always to be afraid of is concealed hazards. The company has machinery for detecting these and it is not easy nowadays for a bad case to get through unnoticed but the speaker appealed to the agents for the frankest and fullest disclosure of all the facts relating to the applicant known to the agent. He pointed out that where an agent persistently dealt fairly with the home office his cases got better treatment and where on the other hand he did not so deal with the home office even the best cases sent forward by him would hardly get justice.

#### Use of Alcohol

As an instance of the different views taken of cases by the agents and by the home office reference was made to the use of alcohol. The speaker pointed out that elaborate tables have been drawn up by the insurance companies showing the effect of alcohol even in cases where the applicant had been a total abstainer for ten years. He showed that from the insurance point of view alcohol is a deadly corrosive poison which works permanent injury to the physical system. Where therefore there is a history of its use to excess in the past an extra

## Your Four Trump Cards



**S**PEED is the SPADE of Lincoln Life service. It keeps digging away, doing its work thoroughly and yet with a dispatch which sends your policies to you ready for delivery in record breaking time.

As the worth of the DIAMOND so is the value of Lincoln Life acceptance to those who hold a Lincoln Life contract. It conserves the jewels represented by large policies that might have been lost if the Lincoln Life did not accept the risk on persons with physical impairments and engaged in hazardous occupations.

CO-OPERATION is the HEART of Lincoln Life achievement. It produces that frictionless efficiency which reaches from the Home Office to the most distant point in the field.

The Lincoln Life Educational Course aids in developing the driving force of confidence.

You hold these four winning assets when you—

LINK UP WITH THE LINCOLN

## The Lincoln National Life Insurance Company

"Its Name Indicates Its Character"

Lincoln Life Building

Fort Wayne, Ind.

Now More Than \$210,000,000 in Force





**HUTCHINSON, KANSAS**

**STEPHEN M. BABBIT, President**

Having recently entered  
Indiana

## THE FRANKLIN

Life Insurance Company  
of Springfield, Illinois,  
has several unusually at-  
tractive openings in that  
state for life men of  
general agency caliber.

—□—

Contract direct with the  
Company.

—□—

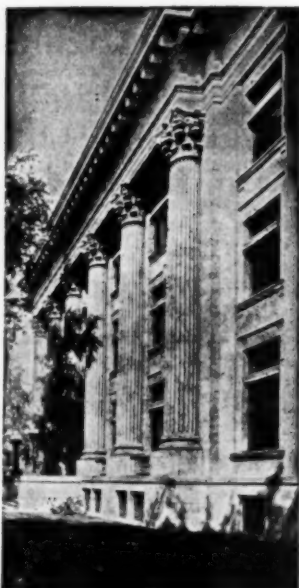
Over \$125,000,000 of in-  
surance in force.

—□—

The remarkable growth  
and achievements of  
**THE FRANKLIN LIFE** are due to its traditional  
"Aggressive Conservatism" and the splendid co-oper-  
ation between the Company and the Agency Staff.

Let us know something about your qualifications and  
your ambitions as an insurance man, and we will give  
you the details of our proposition.

*Write direct to the Home Office,  
Springfield, Ill.*



rating is invariably called for no matter how well the applicant may look or how long he may have been a total abstainer.

Another important point brought out by Mr. Halliday was the fact that important changes had been made in insurance practice in late years for the benefit of the insuring public. Companies now are not afraid as they formerly were of insuring a man with a tubercular family history. Indeed even although the man himself has been afflicted with the disease he may have recovered sufficiently to be insurable. If such a case is put forward frankly by an agent the chances are that the home office will find some basis on which insurance can be granted him.

### Talks on Conservation

Louis St. J. Thomas, the company's auditor, pointed out distinctly that conservation of business was as vital to the agents' interests as new production and the success of the company in avoiding loss from lapsation which are costly has a tendency to strengthen the position of the agents themselves.

Dr. J. H. Dunkley, medical director, and F. J. Halliday, assistant actuary, pointed out very clearly in separate addresses bearing on the selection of risks that agents producing a high class of business were exercising a selection in favor of the company. This was followed by another selection also in favor of the company by the medical examiner. From this point on, however, there commenced a series of selections altogether unfavorable to the company. Policies not delivered; policies lapsed; policies surrendered or carried as extended insurance usually represented good lives but those who remained were more inferior in quality.

The program further comprehended a discussion of the rate book by Agency Manager W. F. Macallister. The chief points of value in the S. O. M. E. policy were outlined by J. A. Gorham and answers to objections were given by A. W. Duke both from the standpoint of field supervisors. There was a good talk by the veteran W. V. Thompson, field supervisor, on different forms of policies. C. W. Estes, general agent for South Carolina, spoke interestingly on "Why Life Insurance?" A report of the company's progress for the first six months was given by Secretary-Treasurer W. L. Andrews. He showed that it had written as much business in that period as during the entire previous year. The address of welcome was made by President R. H. Angell and former Agency Manager O. J. Lacy, now second vice-president in charge of agencies of Minnesota Mutual Life, made a happy greeting address.

At the luncheon hour the "President's Cup" was awarded to the Darst & Morgan agency of Charleston, W. Va., for the largest amount of business written in the first quarter. Mr. A. W. Brown of the West Virginia agency was awarded a leather brief case for superior production.

A porch party of Agency Supervisor A. W. Duke Friday evening and a trip to Natural Bridge, Va., Saturday, were the social features of the convention.

### Left to Legislative Authority

At least one Ohio life company has felt concern about the newly enacted amendments to the standard provisions acts of Illinois, New York, Massachusetts and New Jersey, requiring provisions in the policy making it incontestable after it has been [in force during the lifetime of the insured] for two years from date except for nonpayment of premium, etc. The Ohio statutes do not contain the words bracketed. Superintendent Gearheart has given it as his opinion that the laws of Ohio would permit Ohio companies to use this incontestable clause in policies to be delivered in such states. An opinion was rendered on Nov. 16, 1921, holding that under statutes such as Ohio's the determination of the form of policy was left to the legislative authority of the state in which the insured might live.

## PLAN FOR CONVENTION

### MASSACHUSETTS MUTUAL LIST

**Program for the Annual Agency Meeting That Will Be Held at the Home Office**

The Massachusetts Mutual Life has announced its program for the annual agency meeting to be held Aug. 12-13 at the home office in Springfield, Mass. The program is as follows:

#### Wednesday Morning

9:30—Opening of the Convention, President Harry I. Davis.  
9:40—Address of Welcome, President W. W. McClench.  
10:15—Discussion: Increasing Old Policies, George M. Parks, Joseph B. Thebaud, Julian R. Cross, Ward H. Hacklemann, C. B. Richardson.  
11:00—Address: Personality as a Basic Factor in Selling Life Insurance, Harry C. Spillman.

#### Wednesday Afternoon

2:00—Discussion: Investments for Women, Louise Hall, Mary L. Mendenhall, Clara B. Easterbrooks, Marion H. McClench, Olive Joy Wright.  
3:00—Discussion: The Case Method, George E. Lackey, H. A. Binder, H. N. Fell, G. K. Jones.  
3:45—New Policies, Vice-President W. H. Sargeant.  
4:00—Ventilation, Associate Actuary A. T. Maclean.

#### Thursday Morning

9:30—Discussion: Gaining the Confidence of New Clients, L. C. Hunt, A. Stanford Wright, M. H. Evans.  
10:15—Discussion: Presenting Programs, E. W. Hughes, C. O. Fischer, C. L. Scott.  
11:00—Address: What Is Our Future? Charles W. Pickell.  
11:45—Election of Officers.

## Gearhart Answers A Divorce Question

This is the case of a man who purchased a twenty-pay life policy twenty years ago with his wife named as the beneficiary. The parties were divorced several years ago but in the settlement the policy was apparently overlooked. The man continued to pay the premiums until it was paid up then asked the company for a cash settlement. Must he have the divorced wife's consent? The application and policy make no provision for changing the beneficiary. Superintendent Gearheart answered the inquiry as follows:

"Section 9412 of the General Code of Ohio provides for the change of beneficiary when the right of revocation has been reserved or in the case of the death of any beneficiary. As such right was not reserved in the case \* \* \* I am of the opinion that the husband would not have the right to change the beneficiary or insist upon the company's settlement with him without the wife's consent.

"If the wife dies I am of the opinion that a new beneficiary can be designated or the policy would be payable to the estate of the insured. I do not think the divorce would alter the wife's right although it might be that a court could, if the wife had been amply provided for in the decree, adjudge the policy to be the property of the husband."

### Porter Joins Indianapolis Life

Elder A. Porter, for the past two years actuary of the Indiana insurance department, has been appointed actuary of the Indianapolis Life. Mr. Porter was with the Indianapolis Life before holding the state position. He is a graduate of the University of Michigan and worked with the war risk bureau during the war. He is an associate member of the Actuarial Society of America.



**PAID BUSINESS GROWS****MANY AGENCIES SHOW A GAIN**

**Twenty-Four Offices of the Bankers Life of Iowa Have a Fine Business Increase**

Twenty-four agencies of the Bankers Life of Des Moines show a gain in new paid-for business for the first six months of 1922 as compared with 1921. The Elbert Storer Agency for Indiana shows the largest gain in volume with a total of \$2,788,000 for the first half of this year as compared with \$1,403,000 for the first half of last year.

The next biggest gain in volume and the largest gain in percentage is shown by the E. G. Squires agency at St. Louis with \$1,458,000 for the first half of 1922 as compared with \$387,000 for the corresponding period of 1921.

Another agency showing a big gain is that of A. F. Smith at San Francisco with \$2,138,000 for the first six months of 1922 as compared with \$1,503,000 for the first six months of 1921.

**TEXAS RELIANCE MEN MEET**

**Several Conventions Held in Various Parts of State Honoring State Leadership**

Honoring the fact that Texas led the departments in business for the first five months of the year, a series of agency conventions have been held in Texas by the Reliance Life men during the past few days. These conventions were held at Dallas, Houston, Galveston and San Antonio.

E. G. McCormick, general manager of the company; Angus Allmond, secretary of agencies, and Captain Tom McCormick of the Pittsburgh office, have been attending these conventions and encouraging the agents.

The first five months business of the Reliance in Texas showed an increase over a similar period of last year and agents report that the business for the year will exceed that of 1921.

The visiting officials of the company report the outlook is bright and that insurance business in Texas from here on should be great. They say they have found the people are in a receptive mood and about all that remains is for a salesman to go after them in the proper way.

One of the purposes of the conferences has been to outline the proper way of going after this business.

**Northwestern Mutual Report**

MILWAUKEE, WIS., Aug. 1.—During the second quarter of 1922, there were issued 17,614 policies aggregating \$76,981,219 of insurance in the Northwestern Mutual Life, according to the report submitted to the board of trustees at the regular quarterly meeting. P. R. Sanborn, vice president, reported on investments of the company during the quarter, showing: mortgages, \$12,929,879; policy loans, \$4,387,114, and bonds, \$6,548,967, a total of \$23,865,961. The report of P. H. Evans, actuary of the company, showed that on July 1 the company had in force 773,505 policies, representing \$2,426,376,517 in insurance.

The meeting was attended by the following out-of-town trustees in addition to local men: Percy C. Maderia, Philadelphia; John E. Wilder, Chicago; A. J. Frame, Waukesha; Homer A. Miller, Des Moines; Henry D. Harlan, Baltimore; Erskine Clement, Boston; Francis G. Echols, Hartford; Arthur C. Smith, Omaha; Z. G. Simmons, Kenosha; F. I. Sensenbrenner, Neenah; Shackelford Miller, Louisville; S. O. Richardson, Jr., Toledo.

# Do you know this Man?

He has——

*First: Proved his ability as a successful producer.*

*Second: He has a financial responsibility of at least \$25,000.*

*Third: And a record of an earning capacity of at least \$7,500 a year.*

*Fourth. With a standing in his community which will enable him to connect with the very best business and professional men in this territory.*

## This Man Can Qualify

*as Manager for The Best Territory Now Open in The Company's Entire Field*

**Illinois** is Big Territory, A Big Opportunity, Big Men to Deal With, Big Business to Be Written. It takes a Big Man, but for the Right Man is Opportunity PLUS

*a The management at Peoria of a company with unquestioned strength, large surplus, and over one hundred millions in force.*

**PLUS**

*b A liberal first year commission*

**PLUS**

*c A renewal commission for nine years*

**PLUS**

*d A collection fee during the life of the policy*

**PLUS**

*e An office allowance*

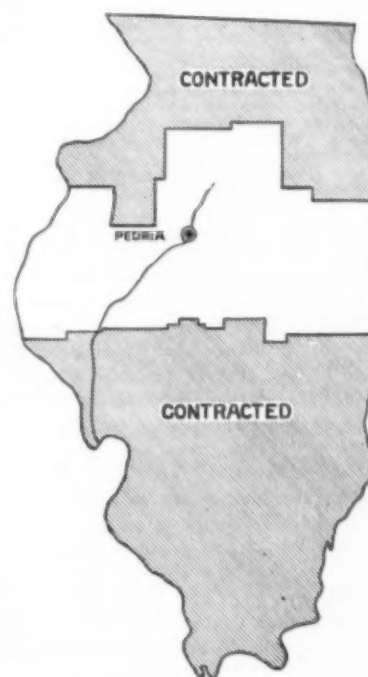
**PLUS**

*f An allowance for expense of development*

**PLUS**

*g A collection commission on insurance in force.*

*The Company entered Illinois in 1909.*



## IF YOU ARE THIS MAN

Write or wire B-43, care of  
The NATIONAL UNDERWRITER  
Insurance Exchange, Chicago

## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Thursday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary and General Manager; H. E. WRIGHT, NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern Manager; FRANK W. BLAND, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers.

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### Controlling Factors in Business

THE WESTERN STATES LIFE in a recent letter to agents brings out in a rather graphic way the relation of fire, compensation and life insurance to business. It is recognized that capital, labor and management are the three controlling factors today in modern business enterprise. It is essential to success and permanence that these factors be safeguarded just as far as possible. Business recognizes especially the needs of throwing bulwarks around capital and labor. It has not arrived at that point where it feels that the same protection to management is even more essential. However, the trend is in that direction. Here is what the WESTERN STATES LIFE says:

Capital is an aggregation of goods used to promote the production of other goods, instead of being valuable solely for purposes of immediate enjoyment. A man who starts a business proposes to use his own savings, or the savings of other investors, to produce a salable commodity, and in this process the capital upon which he operates is transformed into buildings, machinery, stock on hand, office and sales equipment, etc. Knowing that the preservation of his invested capital is essential to his success, he takes every precaution to protect it. He "saves the surface" by painting; he keeps it in good repair; he makes it as nearly fireproof as possible. One step he takes invariably. Realizing that only by cooperation can he guard against the hazard of serious or total loss by fire, he takes out fire insurance.

Labor is the second controlling factor in business. Whenever a human being puts forth effort for any other end than the pleasure immediately arising from its performance, we have labor. It may

be the work done by the proprietor, his own sole and only employee; it may be that of an office typist; it may be the physical toil of the coal miner. Every business man is directly concerned with labor; where to get it, how to train it, how to retain it when it is trained, and every business man has his own methods. But he must seek cooperation to cover the hazard of his moral and legal responsibility in the event of any employee meeting with an accident while working. Every prudent employer does the same thing; in many states it is obligatory. He takes out compensation insurance.

Management is the third factor in business, without which the other two are of no avail. There is no alchemy by which the raw material of labor and capital can be transmuted into the profits which men seek. To them must be added management. Banks know that the men running any organization are its real strength; asked for money, they measure those men as the real guarantors of the loan. If the manager of any concern dies, a heavy loss results, often far greater than any conceivable property loss. Our company recently paid a \$7,500 business policy, on the life of the manager. The owner said to us: "Give me the man back, and I'll gladly pay you \$25,000." But the \$7,500 will go a long way toward paying the expense of securing and training his successor.

In spite of the indisputable fact that in any business the loss of any of the active heads is the worst calamity that can befall it, how few businesses there are which take the natural, easy and certain way to recoup themselves when it occurs. To guard against loss of capital, fire insurance; to guard against compensable accidents to labor, compensation insurance; to guard against loss of management, life insurance. The smaller the business, the greater the need of life insurance to protect it.

Fire, compensation and life insurance. Every business has the first two. Go out and sell them the third.

### Danger of Underinsuring

Frequently the assertion is made that people are overinsured and cannot pay their premium. This causes a lapse or reduction of insurance and perhaps creates a hostile attitude towards insurance. It is true that there are some cases of poor judgment used by enthusiastic agents. Some men are overloaded and are oversold. They sign up when under the spell of the salesman, but when the time comes to make remittance for the second premium they find that they are not able to meet their obligation.

Notwithstanding this fact the great majority of people do not carry sufficient insurance. The tendency is to undersell and to be too conservative rather than to oversell. If a census could be taken of people showing the insurance carried and the capacity for carrying insurance could be learned at the same time there would be some mighty interesting figures to study. The big majority of people are consid-

erably undersold and are inadequately covered by life insurance.

This lesson frequently comes to people who are handling estates. Probate judges see it. People who come in contact with administrators and executors, who know the ins and outs of the family's needs and the provisions made to meet them, will all agree that the insurance men have not been pressing enough in insisting on larger amounts of insurance. The agent who over insures can be criticised far less justly than the agent who habitually under-insures. The man who over-insures may not be able to meet his premiums. He may even drop his insurance. The man who underinsures and yet can afford to carry adequate insurance has left something undone. It may be a calamity.

Speaking from strictly a humanitarian standpoint, the agent who aims too high in insuring his class is doing a far greater service than the man who aims too low.

## PERSONAL GLIMPSES OF LIFE UNDERWRITERS

Miss Ora Andrews, daughter of Senator W. L. Andrews, secretary and treasurer of the Shenandoah Life at Roanoke, is assistant to Agency Manager, W. F. MacAllister. She is a young woman, whose ability as a home office field organizer is attracting wide attention. During Mr. MacAllister's absence in the field, she has full and exclusive charge of agency matters. She is the author of practically all the weekly bulletins to agents, and is the author of very much of the original matter in the company's weekly bulletin. She is very highly regarded by all of the field force and exhibits a sympathetic interest in their work, which is characteristic of an efficient home office assistant.

Miss Lena Bohn is another very able assistant in the agency office of the Shenandoah Life and is the author of the very clever "home office gossip" in the bulletin.

William H. Hecht of Lima, O., is the first honor man on the roll of the Ohio State Life for personal business paid for in June. This is the second time during the year that he has been at the head of the list. Here is what his company says about him:

"Mr. Hecht writes and pays for his business with the regularity of a reliable clock. He isn't a bit temperamental; he doesn't seem to mind the heat or the cold; he goes ahead quietly, efficiently and successfully in the performance of the task he sets for himself every day. By such a record he has established a reputation not only as a salesman but as a man. If you were to ask Mr. Hecht for the secret of his success, he would probably reply that there is no secret at all about it, but simply a matter of doing every day's work faithfully, intelligently, honestly, and sticking to the job every hour of the day and every day of the week.

An exciting tennis tournament was played the other day at Inwood, a summer resort in northern Minnesota. This land was originally owned by Walter H. Cobban of Minneapolis, who is now manager of the Underwriters Adjusting Company and formerly was general agent for the Phoenix Mutual Life. Two days were consumed in the tournament and at the finals the contestants were two brothers, Donald M. Davidson, 20 years of age and Edward J. Davidson 16 years of age. These are the sons of Gaylord Davidson, executive general agent of the Shenandoah Life of Roanoke, Va. A large assemblage witnessed the finals. The older brother won by hard work. The younger brother gained considerable reputation last year as a member of the Minneapolis, West High base ball team. He was featured by the Minneapolis Tribune as one of the big four infielders of the west.

H. J. Drummond of East St. Louis, Ill., district manager of the Mutual Life, is about the only survivor of the well-known insurance agency of Drummond Brothers. William R., one of the trio, died some months ago. The three brothers formed a high-powered producing agency noted for the excellence of its business. Policies were mostly small but they were regarded as fairly good in the days when jumbo policies were unknown. The Drummonds received many offers to desert the Mutual Life, but they stayed by it.

Bert C. Nelson, of the Peoria, Ill., agency of the Northwestern Mutual Life has won the presidency of the Marathon Club of his company for the second time. Mr. Nelson won this a year ago and he is the first man in the history of the company to lead this organization two successive years. He wrote insurance on 228½ lives dur-



BERT C. NELSON

ing the agents' year and was eighth in volume of all the 6,000 agents in the United States. The Marathon Club membership is based on number of lives insured. Mr. Nelson has made a great success in his work.

Each week a man prominent in the business or professional world at Peoria, Ill., is asked by the "Journal-Transcript" of that city to contribute his views on "How to Go About Making Money." On last Sunday President Emmet C. May of the Peoria Life wrote an article of three columns in length giving some valuable suggestions. He finds four requisites to success, they being ambition, industry, persistence and character. In conclusion Mr. May makes this observation:

"Success in any undertaking is never gained until it has many times been picked up for dead on life's battlefield. Every gray hair in the head of age represents a sigh. Every law on our statute books represents midnight candles burned low. Every painting drawn upon canvas is an intimation of the toll and heart throbs of the artist and every stream that goes singing to the sea tells a story of the rocks over which it passed. Every young man will have his gray hairs; will pass over his share of the rocks, but if he has set his goal and is true to the course, success will crown his efforts."

The latest claim for consecutive weekly production record comes from A. C. Hickel, general agent of the Phoenix Mutual at Charleston, who has achieved the enviable record of 624 weeks of consecutive production with at least one application a week. Mr. Hickel is 73 years old and did not enter the life insurance business until he was 49 years of age. In 1898 he joined the Prudential at Charleston and in 1904 joined the Phoenix Mutual, with which company he has been to the present time. It was just 12 years ago that he decided to set a goal, this being one application a week. For 12 years he has maintained this goal.

Walter Stokes, Jr., of the Nashville office of the New York Life wrote each member of the graduating class of Peabody College of Nashville for \$1,000 each to set aside payable to the college as an endowment fund. Peabody is one of the country's greatest teachers colleges.

William H. Standart, first vice-president of the Toledo Travelers Life died the other day. In April, 1882, he with a number of other Toledo traveling men applied for the incorporation papers of the Toledo Traveling Men's Association. He was elected its first president, holding that office for three con-



secutive terms. When the Toledo Travelers Life became a legal reserve company, Mr. Standart was elected its first vice-president. In order to commemorate his name the Toledo Travelers Life has decided to issue 1,000 policies inscribed at the top in letters of gold, "Standart Memorial Policy."

**William J. Swain**, of Bridgeville, Del., formerly state treasurer, and in 1907 chief clerk of the house of representatives, has been appointed insurance commissioner of Delaware by Governor Denny to serve as the successor of the late Horace Sudler until the third Tuesday in January next, when the insurance commissioner chosen at the next general election will enter upon the duties of the office.

Miss LaVone C. Williams of the investment department of the **Lincoln National Life** was chosen as the Fort Wayne representative on the "Good Will" commission which is now making a six-weeks tour of France. Miss Williams won the Fort Wayne contest by more than twice as many votes as were gained by her next nearest competitor. She is recognized as a very capable business woman and will bring back a detailed report of present day conditions in the devastated areas of France.

**Lawrence Priddy**, of the New York Life in New York City, has recently undergone two minor operations in one of the local hospitals. He is now getting along nicely and will be back at his office soon after the first of August. He was formerly president of the National Life Underwriters Association.

**Perez F. Huff**, general agent of the Travelers in New York City, is making a three months' tour of Europe with his family, taking in the beauties of Chatel-Guyon after a stay in Paris. He will shortly spend a few weeks at St. Moritz, Switzerland.

**Clarence Axman** of New York, editor of the "Eastern Underwriter," has returned to his desk from Europe. He went across for a newspaper syndicate to write stories on the conference at the Hague.

**Arthur C. Parsons** has taken his new position as manager of the Pacific Mutual San Francisco agency. George R. Tryner, assistant manager has been in charge since the death of Manager Kilgari last November. Mr. Parsons is a native of Nebraska but has been in California since he was a child. He has a large acquaintance in San Francisco.

One of the most notable instances of graduation from an office desk to successful producer is that of **John L. Taylor** of the Springfield, Ill., agency of the Mutual Life. He became a leader soon after leaving the application desk and has now gotten into the major club of producers. He is a musician of note and does very fine work on the violin. He conducts an orchestra.

**Edwin A. Olson** of Chicago, president of the Mutual Trust Life, is being prominently mentioned for the position of United States district attorney to fill the vacancy caused by the resignation of District Attorney Clyne. Mr. Olson is one of the prominent Republicans in Chicago. He made a strong race for county judge in the Republican primaries a few years ago. Mr. Olson is a brilliant attorney, a strong administrator and successful as a life insurance executive.

Insurance men who have known **J. H. Higgins**, vice-president of THE NATIONAL UNDERWRITER for so many years, will be pleased to know that he is making a success of his company, the American Travelers Association of Indianapolis, which he took over some time ago and has been operating as a traveling men's health company, doing business by mail. Mr. Higgins has more than doubled the business

already, and hopes to close the year with over 2,000 members. There is no more popular man in the field than J. H. Higgins and his many friends will expect him to become as successful as an insurance official as he was an insurance journalist.

Preparations are now being made for the erection of the home office building of the **National Life & Accident** on the corner of 7th avenue and Union street in Nashville. The site is directly across from the new Memorial Park. It will be a great credit to the city.

**Mrs. E. W. Hauser** of LaCrosse, Wisconsin, is a successful salesman for the Bankers Life of Des Moines. She has an able assistant in the person of her young son, Master Lonnie Hauser, age thirteen. He recently found a prospect for a \$5,000 policy and sold the proposition so well that after he had found his mother and led her to the prospect, it was only necessary for her to make out the papers.

**C. H. Winterble** of Primghar, Iowa, a veteran salesman for the Bankers Life of Des Moines, recently underwent an operation for appendicitis. His son, W. F. Winterble of Richland Center, Wis., also a Bankers Life salesman, was called to his father's bedside and while his father was recovering from the effects of the operation, his son went out and wrote \$40,000 of new business for his father.

**Clifford L. McMillen and Associates** is the name of the Milwaukee home agency of the Northwestern Mutual Life of Milwaukee that held a unique position in the ranks of the company's organizations during the recent annual meeting of the company agents. The agency was named to exemplify the spirit of co-operative organization and team work for which the agency is known among American life men generally. To begin with, this agency ranked first among all the agencies of the Northwestern in per capita business for the agents' year 1921-'22, having paid for \$9,217,000 of new insurance during that period. This agency also held first place among all the company's agencies for the first six months of 1922, with a new paid for business in excess of \$5,000,000. C. L. McMillen, general agent, was elected vice-president of the General Agents' association of the company for 1922-23.

**Allan Waters, Jr.**, state manager in West Virginia for the Union Central Life with headquarters at Charleston is making good in the business. He has purchased a beautiful site of 18 acres in the suburbs of Charleston on which he will build a home.

#### MAKE IT SNAPPY

When you're out to write an app  
And you're found the proper chap  
Make it snappy.

When you make your first approach  
And on his time you now encroach  
Make it snappy.

When you talk about the weather  
As you two have met together  
Make it snappy.

When you introduce the subject  
To your suspect or your prospect  
Make it snappy.

When arguments you use  
And tell stories to amuse  
Make it snappy.

When you overcome objections  
And are offering corrections  
Make it snappy.

When you come up to the close  
And he's paying what he owes  
Make it snappy.

For your prospect will be happy  
If you always make it snappy.  
So make it snappy.  
—Pacific Mutual Pointers.

#### LE ENVOY

The moral of this doggerel, I've writ an'  
you have read,  
Is this, to be a salesman, you've got to  
use your head:  
Be an honest earnest hustler, an' know  
the goods you sell,  
Study human natur', then go out an'  
give 'em Hell.

—Written for the American Life of Detroit, Mich., by C. F. Whiteshield, M. D., its examiner at Powers, Mich.

## The Strength Behind the Company

**A Strong Officiary and Directorate is One  
of a Company's Greatest Assets**

The leadership which has played such an important part in the development of the Middle West is well typified by the able business men who form the Board of Directors of the State Life of Des Moines.

Unusual success in varied lines has qualified the men whose names are listed below to co-operate in forming the policies of this growing Company.

A. C. Tucker.....Des Moines, Ia. President, State Life	J. J. Shambaugh...Des Moines, Ia. Pres., Preferred Risk Life Ins. Co.
D. H. McKee.....Des Moines, Ia. President, Iowa Loan & Trust Co.	H. W. Hill.....Earlham, Ia. Pres., Citizens State Bank
W. L. Snyder.....Des Moines, Ia. Real Estate and Loans	F. E. Shane.....Villisca, Ia. Cashier, First National Bank
Wm. Koch.....Des Moines, Ia. Vice-President, State Life	C. J. Locker.....George, Ia. Pres., American State Bank
R. F. Lee.....Des Moines, Ia. Vice-President, State Life	D. C. Costello....Des Moines, Ia. Ass't Treasurer, State Life
U. G. Turner.....Moravia, Ia. Banker and Stockman	Wilbur M. Johnson..... .....Des Moines, Ia. Actuary
C. M. Whicher....Des Moines, Ia. Medical Director	John Connolly, Jr., Des Moines, Ia. General Counsel
F. L. Tucker...Minneapolis, Minn. Mgr. Northern Department	

### Strong and Progressive

	Admitted Assets	Legal Reserve	Insurance in Force
December 31, 1919.....	\$ 751,084.41	\$ 8,479.87	\$ 1,854,500.00
December 31, 1920.....	789,543.44	58,094.06	4,769,000.00
December 31, 1921.....	1,853,237.17	997,859.25	17,570,599.00
February 28, 1922.....	1,917,911.79	1,173,763.67	24,234,845.00
June 30, 1922.....	Over 2,100,000.00	1,250,000.00	28,500,000.00

## State Life Insurance Company OF IOWA

215 Iowa Building

DES MOINES, IOWA

A. C. TUCKER, President

WM. KOCH, Vice-Pres. and Field Mgr.



## Perseverance

Strict adherence to a cause, known to be wisely founded and justly managed will always have its reward. Perseverance on the part of the life insurance man will always bring good results. But closely allied with perseverance on the part of the Agent is the Company he represents. His representation must be in a good sound Company, and further, that Company must issue forms of policies that really have an appeal.

"THE COMPLETE PROTECTION POLICY", copyrighted and issued exclusively in life insurance, is an innovation in life insurance. It gives the insured the benefit of an ordinary life policy if he dies, and a twenty payment life policy if he lives.

"THE ORGANIZATION POLICY" carries one share of Company Stock with each \$1,000.00 of insurance. The stock is paid for out of the dividends.

Good Territory Is Still Open



**THE NATIONAL SAVINGS  
LIFE INSURANCE COMPANY**

## You Can Multiply Your Producing Power

**M**EDICAL LIFE AGENTS do multiply their producing powers. Why? Because the Medical Life writes Standard, Sub-Standard and Child's Endowment Policies.

For that reason our agents lose no time "choosing" prospects. Their prospects are not limited.

The Company's liberal attitude toward impaired risks makes it possible for them to render 100% service to their clients.

Our Child's Endowment Policy has received enthusiastic endorsement. It is a real agency money maker.

Then, too, the Medical Life's rates for men and women are the same. The Medical Life agency offers an unexcelled opportunity for YOU.

TAKE advantage of your producing energy—multiply your production by securing the agency for this company. You've got to save time—if you are to produce—more. The one best way to save time is to capitalize more fully upon your opportunities to sell. The Medical Life Agency offers you this opportunity. Write to-day.

### The Medical Life Insurance Company of America

Black Hawk Building

Waterloo, Iowa

W. A. ROHLF, President

I. G. LONDERGAN, Secy. and Gen'l Mgr.

## ROYAL UNION MUTUAL LIFE Insurance Company

DES MOINES, IOWA

Incorporated 1886

FRANK D. JACKSON, President

SIDNEY A. FOSTER, Secretary and Vice President

## LIFE INSURANCE PLAYS VITAL PART IN CREDIT

San Francisco Bankers Give Views  
as to Its Effect in Granting  
of Loans

### ADDITIONAL SAFEGUARD

Amount of Protection Influences Judgment  
As to Man's Business Ability  
and Prudence

SAN FRANCISCO, CAL., Aug. 1.—San Francisco bankers are of the opinion that life insurance plays a most important and vital part in credit and many of them consider life insurance when discussing loans. To the business man, life insurance agents need not hesitate to bring out forcibly the part which business life insurance should play in the development of business.

Irving H. Sanborn, vice-president of the American National Bank of San Francisco, says:

"Included in every statement submitted by applicants for loans is a question asking for the amount and character of insurance carried by the signer. We consider life insurance an important factor in discussing credit, especially where it is a one-man business or an organization built around one individuality.

#### Business Insurance a Safeguard

"Business life insurance, such as is now being written for partnerships and corporations, is unquestionably an additional safeguard in extending credit.

"The primary factor in extending loans, of course, is the liquid character of the company's assets, the knowledge of the borrower in the conduct of his business and the question of personality, and when these three points are all in a favorable relationship the insurance feature added prevents an emergency arising whereby serious loss is sustained by the borrower in the event that the principal should die and pending the time when a new policy for the conduct of the business shall be adopted by his successor."

#### Shows Man's Business Ability

F. L. Lipman, president of the Wells-Fargo Nevada National Bank, says:

"We have the highest opinion of the utility and necessity of life insurance for all prudent, far-seeing men. When dealing with a loan application where the advance is not fully covered by marketable collateral we consider the carrying of life insurance as an important factor in forming our judgment as to a man's business ability and prudence.

"Life insurance for partnerships and corporations we favor strongly wherever the continued prosperity of the business appears to depend largely upon the services and ability of an individual."

The Anglo & London Paris National Bank says:

"The part life insurance plays in credit extensions is thoroughly understood by all bankers and undoubtedly by most American business men who are employers of credit."

#### Improves Complexion of Loan

W. F. Duffy, vice-president of the French-American Bank, states that when life insurance is carried the general complexion of the loan is improved and further states that he doubts very much if banks could enforce any set rule compelling borrowers or applicants for loans to take out life insurance in their favor. But, he says, "we believe that partnership and corporation insurance is a wonderful thing and we trust that the life insurance companies will continue their campaign of education so that the writing of this class of insurance may become extended, and in time, become general."

William A. Davis, vice-president of the Security Bank & Trust Company, stated that while his bank does not insist upon having such protection, "nevertheless we feel more secure when a policy is offered."

"In many small businesses," said Mr. Davis, "where the success is dependent upon the personality and resourcefulness of the principal owner, life insurance is indeed a very decided factor in basing their credit. We are endeavoring more and more to have our borrowers supply us with a policy and in most instances we find our request is readily complied with."

#### Reckoned as Important Factor

F. M. Buckley, cashier of the Liberty Bank of San Francisco, stated that his bank, "in granting loans, particularly unsecured loans based on a man's statement, the matter of life insurance is considered, in fact, it is reckoned as an important factor."

Paul Pflueger, assistant vice-president of the Humboldt Savings Bank, said: "There is no question but that life insurance, in some instances, is a very important factor in the granting of a loan."

In reply to a series of questions, Mr. Pflueger dictated the following statement:

#### Inquiry on Commercial Loans

"When we make a loan, do we make inquiry as to the amount and character of life insurance? On commercial loans, yes; on real estate loans, no.

"Do we consider the carrying of life insurance an important factor in making a loan? It depends upon the nature of the loan. If a loan is made to a one man business, where a liberal line of credit is given we do consider it necessary to carry life insurance as an additional safeguard. This last week, we made a loan and requested life insurance as an additional safeguard. About the only time that a bank, however, would be really concerned in life insurance and would perhaps ask for some life insurance running in its favor, is when, as stated, the concern borrows liberally and is principally dependent upon success based upon the past experience and upon one man's ability.

#### Credit Strengthened; Better Risk

"If a man or corporation carries life insurance, does that have any influence in extending credit? The second question practically answers the first, excepting that we might add that in extending credit, all factors are taken into account, but we must admit that at the present time it has not been a very vital factor except as previously stated.

"As to whether or not we regard life insurance as an additional safeguard when it comes to extending credit, the answer certainly can be nothing but yes, because each additional factor which helps to strengthen the credit of the organization naturally makes a better credit risk."

#### Connecticut Business Growth

The annual report of Commissioner Mansfield of Connecticut, covering business in 1921, shows that the business done in the state has more than doubled in the past ten years. In 1921 there were 6,954 life policies for \$24,929,698 issued by Connecticut companies, compared with 3,124 policies for \$6,503,603 in 1911. The total life insurance policies issued in 1921 was 244,925, for a total of \$132,694,527, compared with 96,499 policies for a total of \$40,099,236 in 1911.

## OHIO BANKERS ON LIFE INSURANCE AND CREDIT

### Preponderance of Opinion in Favor of Recognizing This Protection

### QUESTION UNDERWRITING

### Bank Officials Express Belief That Lapsing and Beneficiary Constitution Deterrent Factors

In questioning the Ohio bankers on the value of life insurance in the extension of credit, it was found that in general the protection was regarded with favor and in many cases closely watched, but it was also found that much of the disfavor expressed towards life insurance used for credit arises from the methods of writing the business. The question of the beneficiary was raised in many minds, several bankers speaking of the uncertainty of obtaining the benefits as most policies were not made to the estate. A more serious objection was found in the great danger of lapsing without the knowledge of the bank. It appeared that before a more complete recognition of this form of protection would be possible, the banks or those extending the credit would have to be placed in a position where they could more closely follow the history of the policies issued, especially regarding lapsing. It is also evident that life insurance is not fully understood by many bankers, even those interested in extending credit. Much of the abuse heaped upon life policies is to be traced directly to this lack of knowledge about the business and the contract. However, a majority of bankers go on record as heartily in favor of the protection and its value in credit extension, carrying out the idea recently expressed by the Chicago bankers.

#### Question Beneficiary

H. W. Hartsough, president the Cosmopolitan Bank & Trust Co. of Cincinnati, said, "We very frequently insist upon corporations taking insurance upon their important members. I find that the majority of life insurance of individuals is made payable to their wives or children, and a small percentage to their estate. There is no legal obligation upon the part of these heirs to use any portion of the insurance so designated to take care of the deceased's obligations."

"We frequently take an assignment of insurance policies as additional collateral to loans already enforced, but we do not regard with favor the establishment of new credit on the basis of assignment of policies."

#### Fear Lapse of Policy

Emphasizing the lapse danger, Wm. H. Simpson, vice-president of the Central Trust Company of Cincinnati, said, "It is not our custom in the consideration of loans to make any inquiries as to the amount of life insurance carried by the borrower, relying on his statement of his resources or the collateral deposited."

"In the case of a corporation carrying life insurance on certain of its officials for the benefit of the company, it might enter to some extent in the attitude taken by us, but this would probably occur only in very few instances."

"We do not care to lay much stress on that feature of the case owing to the fact that the insurance might lapse in the meantime."

Joseph A. Helmers, cashier of the

Pearl-Market Bank of Cincinnati, which has recently sent out a large number of selling pamphlets on life insurance, said, "The attitude that our institution takes to life insurance, can best be explained by the booklet, which we at our own expense had printed and compiled upon the subject of insurance. We distributed some 20,000 of these books to various agents of different companies in this city."

"We are and have always been strong advocates for life insurance and rarely miss an opportunity to advise our customers, both savings and commercial, of the many advantages to be obtained from policies issued by good, strong companies. We might go into a lengthy discussion of this matter should time permit, but it can be covered fully by saying, 'Buy Insurance Until It Hurts.'"

#### Encourage But Not Insist

The Fifth-Third National Bank of Cincinnati has incorporated questions regarding life insurance in its statements used in securing credit, placing it on a plane with fire and credit insurance. Monte J. Goble, vice-president, said, however, "We endeavor not to make any loans where we have to depend upon the life insurance, except in very rare cases. However, we do consider the carrying of life insurance important, and when the occasion presents itself, we encourage borrowers, as well as non-borrowers, to carry a reasonable line."

"I don't believe the carrying of life insurance would have any particular influence in extending credit, if the other conditions surrounding the loan were not satisfactory."

"We are aware that life insurance companies are writing business insurance. Believe that, however, is a matter more for the partners or the officers of a corporation to determine, rather than for the banks to insist upon."

"To sum up, we make note of and encourage a proper amount of fire, as well as life insurance."

The answer given by Julius A. Reif, assistant secretary and treasurer of the Provident Savings Bank & Trust Company, of Cincinnati, was, "The carrying of life insurance by an individual or partnership for the benefit of a business is always an important factor when considering extending credit."

George A. Schulze, cashier of The Cincinnati Bank & Trust Company of Cincinnati, "We take in consideration the matter of carrying life insurance when extending credit as we regard this as an additional safeguard."

T. J. Davis, vice-president of the First National Bank of Cincinnati, commented as follows: "Our loans are for short time only, usually four months or less, so we do not have long periods to consider, and in cases of individuals, they generally have collateral. We are always glad to know, however, that the borrower is able to carry a comfortable amount of insurance, thereby giving to his estate or to his beneficiaries some early realizable funds, if the unexpected event of a death should occur."

#### Views of Columbus Bankers

The Columbus, O., bankers were very much of the same opinion as was evident in Cincinnati, the general attitude being in favor of life insurance as a factor in granting credit, but some criticism being made of the security under present underwriting methods. It was questioned whether the bank could properly inquire into this matter."

J. C. Campbell, president of the National Bank of Commerce of Columbus, said, "With individuals or firms who we consider perfectly good, and there being no hesitancy in granting them a loan, or a line of credit, we do not feel that the bank is privileged to make inquiry as to whether, and what life insurance is carried by such patrons, but there are occasional cases and conditions, where we make the inquiry as to whether insurance is carried, and in some cases suggest the assignment of

## DAKOTA LIFE INSURANCE COMPANY

WATERTOWN, SOUTH DAKOTA

A strong conservatively aggressive company

If YOU'RE big enough to handle a General Agency, and can prove it; willing to demonstrate your productivity before asking for special concessions, WE can arrange a direct Home Office contract that will meet with your approval.

## Seventy-Nine Years of Service

Our first policy was issued in 1843.

Up to December 31, 1921, we had paid \$1,736,129,572 to policyholders and beneficiaries, and had accumulated \$675,319,164 for them. Dividends to policyholders totaled \$361,465,227 in the same period.

Total insurance in force at the end of 1921, \$2,472,651,779.

Corporations and Partnerships protected by Business Insurance. Inheritance tax provision for large or small estates. Philanthropic institutions endowed. Income policies for the protection of homes and dependents. Annuities for the aged. Up-to-date Disability and Double Indemnity provisions.

For terms to producing Agents address

## The Mutual Life Insurance Company of New York

34 Nassau Street, New York

### Incorporated in 1862 in the Commonwealth of Massachusetts

Named JOHN HANCOCK in honor of the first Governor of Massachusetts, and first signer of the Declaration of Independence.

In 60 years it has grown to be the largest fiduciary institution in New England. Policies made secure by reserves maintained on the highest standard with an adequate Contingent Fund providing protection against all emergencies. Total Assets, \$239,603,000; Policyholders' Reserves and all Other Liabilities, \$226,361,000; Contingent Fund, \$13,332,000.

Policy contracts include all equities and options. Business done through agents. Information and advice on any matter relating to life insurance are available at any time through the Agencies or Home Office of this Company.

*John Hancock*  
LIFE INSURANCE COMPANY  
OF BOSTON MASSACHUSETTS



"SAFE AS A GOVERNMENT BOND"  
**The OHIO STATE LIFE**  
LIFE, HEALTH, ACCIDENT AND MONTHLY INCOME INSURANCE.

SEE →

LATEST POLICIES AND AGENCY CONTRACT FOR FACTS

Openings OHIO, IND., KY., MICH. and W. VA. Write Columbus



## KANSAS' GREATEST LIFE INSURANCE COMPANY

Invites Inspection—Inquiry of Integrity

### The Farmers & Bankers Life Insurance Company

Home Offices

Wichita, Kansas

Possessing all the Good Features of  
All Other Companies and a Few More  
of Its Own.



**The Reinsurance Life**  
Des Moines

### Northwestern National Life Insurance Company MINNEAPOLIS, MINNESOTA

**Mutual**, with unexcelled dividend factors.

**Mortality 1921, 44%.**

**Interest earned upon mean invested assets 6.03%.**

**Assets of \$109 to each \$100 of liabilities.**

Business in force 1917, \$54,193,000

Business in force 1921, \$139,868,000

Excellent direct general agency contracts available for  
Central and Southern Ohio, Utah, Oregon and  
Northern California

"The Capitol Life Insurance Company desires to obtain the  
services of good, reliable agents in all unoccupied territory.  
Please address the company for further information."

### The Capitol Life Insurance Co. of Colorado

Clarence J. Daly, President  
Denver, Colorado

### INDIANAPOLIS LIFE INSURANCE COMPANY

OPERATING IN

Indiana, Illinois, Michigan, Texas, Florida and Minnesota

NOTED FOR

**Large Annual Dividends, Modern Policies, Clean Record**

FRANK P. MANLY, President

a life policy in connection with the loan granted.

"It is certainly commendable in any one to carry a reasonable amount of life insurance, and such precaution is favorably noted by banks generally in business relations with their patrons."

#### Regarded With Favor

W. P. Little, cashier of the Hayden-Clinton National Bank of Columbus, said that the "factor of credit is usually based upon absolute and tangible evidence of responsibility, either in the form of marketable collateral which is considered preferable to any other security, or personal responsibility based on a financial statement which is verified as far as possible. Of course any such additional security as would be available in case of death is always regarded with favor, but is not considered as a requisite for the extension of credit."

#### Frequently Inquire

Alfred T. Copeland, manager of the credit department of the City National Bank of Columbus, said, "We frequently do make inquiry regarding the amount and character of life insurance the applicant for a loan carries."

"In making a certain type of loan, namely, those to individuals whose main asset is their earning capacity, the fact that they carry life insurance made payable to their estate or to someone who was also a signer on the note, would be an important feature in the granting of the loan. In the case of a corporation, the success or permanence of which depended upon any individual, life insurance covering the amount of the loan or in some cases, depending upon the distribution of the liabilities of the corporation, payable to the corporation, would be considered an important feature in extending credit."

#### No Aid from Companies

"In the past, we have found that life insurance companies have not made it easy for banks to keep track of the payment of premiums of customers to whom they granted loans in which life insurance policies figure. This, of course, is very annoying to a bank as a life insurance policy is of no value whatsoever unless kept paid up. This was possibly caused by the fact that the life insurance companies felt that the banks were encroaching upon their business of loaning on policies. We think that this situation, however, has improved very much."

"The greatest drawback in the value of life insurance policies as a factor in granting credit is that in comparatively few cases coming to our attention are the policies made payable to the estate of the person seeking credit, nor do we believe it is the policy of insurance salesmen to urge that policies be drawn up in this way."

R. H. Schryver, president of the Citizens Trust & Savings Bank, Columbus, is a firm believer in life insurance. Discussing the relations of banks to life insurance today, Mr. Schryver said: "While we do not make it a rule to inquire about life insurance carried by the applicant for a loan, we do, when the opportunity offers, recommend that borrowers carry a reasonable amount of insurance. We always recommend life insurance so that in case of death, the loan can be paid without taking same from the estate."

#### Buys Home Office Site

The Crescent Life at Indianapolis has bought a fine piece of residence property at the northeast corner of Meridian and 21st streets, known as the Joseph A. Rink home, which it is expected to use later as a home office site. There is now a fine stone residence on the lot which covers about a quarter of a city block and could be easily transformed into an office building if it is so desired.

The Atlantic Life of Richmond, Va., was last week granted a license to do business in Texas. It has a capital stock of \$300,000 and surplus of \$350,959. W. F. Strother of San Antonio is state agent.

**We write only one Agency contract for all agents. It is described in a little booklet which you may have for the asking.**

**Guardian Life**  
Insurance Company

Home Office, Madison, Wis.

### HOME LIFE INSURANCE CO. NEW YORK

WM. A. MARSHALL, President

The 62nd Annual Report shows:  
Premiums received during the year 1921.....\$6,990,547  
Payments to Policyholders and their beneficiaries in Death Claims, Endowments, Dividends, Etc.....4,740,340  
Amount added to the Insurance Reserve Funds.....2,121,307  
Net Interest Income from Investment.....1,964,050  
(\$642,638 in excess of the amount required to maintain the reserve)  
Actual mortality experience 53.44% of the amount expected.  
Insurance in Force.....\$223,116,887  
Admitted Assets.....43,222,328

#### FOR AGENCY APPLY TO

W. A. R. BRUEHL & SONS

General Managers  
Central and Southern Ohio and Northern Kentucky  
Rooms 601-606 The Fourth Nat. Bank Bldg.  
CINCINNATI, OHIO

HOYT W. GALE  
General Manager for Northern Ohio  
223-233 Leader-News Building  
CLEVELAND, OHIO

### FEDERAL UNION LIFE Insurance Company

Cincinnati, Ohio

has just issued a very interesting booklet

**"Suggestions for Increasing Your Income"**

and would be pleased to send a copy to every Life, Fire and Accident Agent in

Ohio, Illinois and Kentucky

## Rates Reduced

Premium rates reduced  
September, 1920

All leading forms of policies written.

Best of contracts to agents.

Two general Agencies open in Iowa.

Write for information.

LOUIS H. KOCH, President

### National American Life Insurance Co.

Burlington, Iowa



## Building Good Will

A company may be out after "all there is in it," working agents and policyholders for "the full limit of the letter of the contract"; or it may adopt a policy of fair dealing to all, thus building good will and laying a foundation for the future.

*The Columbia Life of Cincinnati* is gaining the good will of its policyholders, agents and competitors by pursuing a policy of courteous, fair dealing and good will to everybody.

Agents like to work for such a company—if you doubt our statement, ask Columbia agents.

If you are an experienced life insurance salesman you can get a general agency with renewal contract for yourself with the Columbia in good territory in Ohio, Indiana or Kentucky.

Address,

SUMNER M. CROSS, *President*,  
Cincinnati, Ohio

# BANKERS LIFE INSURANCE COMPANY OF NEBRASKA

Home Office: Lincoln, Nebraska  
**Assets . . . \$21,000,000.00**

*Bankers Life Insurance Co.,  
Lincoln, Neb.*

FAIRBURY, NEB., June 15, 1922.

GENTLEMEN: This is to acknowledge receipt of your draft for \$7261.74 in payment of full cash value on my \$6,000.00 policy which was issued to me twenty years ago today. I paid your company an annual premium of \$279.90 or a total of \$5598.00.

Aside from having had protection for the full amount of the policy, I am receiving all my money that I paid in and \$1663.74 as earnings. Your agent Mr. R. C. Hariss explained to me that I could have had \$3315.90 in cash and kept the \$6000.00 policy as a paid up participating policy or I could have taken a paid up policy for \$11,040.00. The annuity for life was also explained to me but as I desire to go to California I find that the cash will be very acceptable.

The payment of my annual premium was never any hardship as I always had the money ready when the premium came due.

I think that every person who has the ability to make money should carry a policy large enough to do him some good.

In closing permit me to thank you for the favors shown during the past years and wish for your company continued success.

Yours very truly,

JAMES HUGHES

### TWENTY PAYMENT LIFE POLICY

Matured in the

OLD LINE BANKERS LIFE INSURANCE  
COMPANY

of Lincoln, Nebraska

Name of insured.....	James Hughes
Residence .....	Fairbury, Neb.
Amount of policy.....	\$6000.00
Total premiums paid.....	5598.00

### SETTLEMENT

Total cash paid Mr. Hughes.....\$7261.74  
and 20 years' insurance for nothing.

*If interested in an agency or policy contract write Home Office, Lincoln, Nebr.*

## "Miracle" of Life Insurance

IN a recent laudatory article written by the editor of a magazine for salesmen, "How to Sell—and What," The Columbus Mutual Life Insurance company of Columbus, Ohio, was declared to be the "Miracle" of Life Insurance because of its success in reducing cost of insurance and building up its surplus and because of what it has done for agents—enlarging their opportunities and increasing their rewards. Other companies in time, the editor predicted, will be obliged to adopt the methods inaugurated by President C. W. Brandon. "The accomplishments of Mr. Brandon are the marvel of insurance men," he wrote. "They never thought it could be done. Now they are laying their tributes at Mr. Brandon's feet."

So great has been the demand for this magazine article that it has been republished in pamphlet form. The first edition of the pamphlet was quickly exhausted and a second issue has been published. A copy will be sent free to any one writing his name and address in the margin of this notice and forwarding to the Home Office.

The Columbus Mutual is doubling every two years and is attracting thoughtful agents by the score.

Having recently entered the States of *Texas* and *Minnesota* we have desirable territory open for General Agencies

Address Home Office

**CENTRAL STATES LIFE**  
Insurance Company  
St. Louis, Mo.

**THE MIDLAND MUTUAL LIFE INSURANCE** Company of Columbus, Ohio, an established, conservative, high-grade and progressive Middle Western Company, has been admitted to Pennsylvania and will thoroughly organize it at once.

General Agencies will be established at places where territories can be arranged.

Men of character may apply to their advantage and those with local acquaintance will be preferred.

Address Home Office.

**Indiana National Life Insurance Company**  
INDIANAPOLIS, INDIANA

Splendid territory open in Indiana, Michigan and Illinois, for District and General Agents, who are capable of handling men.

Best Commissions and Renewals. Renewals once earned will be paid you or your estate. If interested in building for yourself, write

C. D. RENICK, President

ERNEST E. WEBSTER, General Agency Manager

## LIFE AGENCY CHANGES

### McGINITY NOW FREE LANCE

Resigns As Cleveland Manager of the Connecticut General and Will Broker His Business

E. B. J. McGinity, who has been general agent of the Connecticut General in Cleveland for the past eight years, has resigned in that capacity and turned the office over to the company. He will continue to operate under the name E. B. J. McGinity, insurance counsellor, and do a general insurance business. It is understood that he has made arrangements to broker life business with the Travelers.

Mr. McGinity is one of the leading insurance men in Cleveland, and has always been a large personal producer. He was associated with the Aetna Life for about 20 years before taking up general agency work with the Connecticut General. He is one of the oldest members in the Cleveland Association of Life Underwriters, having joined that organization nearly 30 years ago.

### Everett T. Marsh

Everett T. Marsh, who has been agency manager of the Equitable Life of New York in Chicago, has been appointed special group representative of the company for middle western territory, effective Aug. 1. The company will extend and broaden its group insurance activities in the central west territory. Mr. Marsh has specialized in the writing of this class of business.

Howard B. Kelly, who has been special group representative of the Equitable Life at Chicago in the middle west, has been devoting his time to both service and sales work. He will be in charge of group service alone in this field.

### W. H. Porter and R. H. Sheldon

Ward H. Porter and Roy H. Sheldon, southern California general agents of the Equitable Life of Iowa, have dissolved partnership by mutual agreement, although both will remain with the company as individual general agents. Mr. Porter will have charge of southern California exclusive of Los Angeles, the latter having been assigned to Mr. Sheldon.

Although the Porter & Sheldon general agency has enjoyed a substantial and satisfactory growth, its development has been confined almost wholly to Los Angeles proper and the suburbs of the city. Under the new arrangement Mr. Porter will devote his efforts to the building of a field force that will cover all of the country territory in the southern portion of the state, while Mr. Sheldon will concentrate his activities upon the further growth and development of the city agency.

### Shenandoah Life Appointments

M. L. Martin, in connection with his duties as southern manager of the accident department of the Employers Indemnity, has taken a general agency with the Shenandoah Life for western

Tennessee and Arkansas, with headquarters at Memphis, Tenn.

E. E. Bass has been appointed general agent of the Shenandoah Life with headquarters at North Emporia, Va.

### J. B. Wood

J. B. Wood, veteran life insurance salesman, organizer and agency manager of Atlanta, Ga., has been appointed regional sales manager of its eastern district by the Bankers Life of Des Moines. Mr. Wood has been in the insurance business 15 years. He succeeds W. W. Jaeger who has recently been appointed general sales manager for the Bankers Life.

### William Bacon

William Bacon, agency manager of the Bankers Life of Iowa in Texas has resigned in order to devote his time to outside interests. He went with the Bankers Life in 1907 as general agent in Texas with headquarters at Greenville. He was the first Bankers Life man to sell an application in Texas, and was the first general agent of the company in that state. He will not leave the service of the Bankers Life entirely, but will continue to write business during his spare time.

### Arnold S. Rockwell

Arnold S. Rockwell has been appointed general agent for the Penn Mutual at Portland, Ore., and adjacent territory. Headquarters of the general agency will be in the Northwestern Bank building in Portland. Mr. Rockwell has been general agent for the Mutual Benefit in Portland and has made an enviable record for production with that organization. He is one of the younger men in the business, but has proven his ability as a producer and agency organizer and manager.

### W. H. Bloomer

William H. Bloomer, now of Milwaukee, Wis., has re-entered the life insurance field after an absence of six years. He was a life insurance salesman until in 1916 when he resigned as field superintendent for Missouri for the Northwestern Mutual Life and went into the dairy business. He returns to life insurance work as general agent for the Lincoln National Life for southeastern Wisconsin.

### A. C. Gibson

A. C. Gibson, supervisor of the ordinary life department of the National Life & Accident, Nashville, covering the whole territory has located at Cincinnati as associate manager to S. A. Cholmondeley.

### Austin W. Boden

Austin W. Boden has been appointed district manager of the Capitol Savings Life of Columbus, O. Mr. Boden was until recently president of the Southern Advertising Service of Richmond, Va. He will also take charge of the publicity and advertising campaign of the Capitol Savings.

### W. C. Brimley

Wilford C. Brimley has been appointed general agent of the National Life, U. S. A., for Utah and southern Idaho, with headquarters in Salt Lake City. He has served the National as agent and general agent for the last two years. He is a member of the \$100,000 Club.

### Roy K. Severns

Roy K. Severns has been appointed general agent of the Pacific Mutual of Toledo, O. For the last three years he has been the leading producer of the Wells-Williams agency. Graham B.





## Provident Life Insurance Company

Bismarck, North Dakota

Insurance in Force, \$13,500,000

H. H. STEELE, President	F. L. CONKLIN, Secretary
C. L. YOUNG, Vice-President	H. B. BEACH, Asst. Sec. and Actuary
J. L. BELL, Treasurer	W. H. BODENSTAB, Medical Director

"THE COMPANY OF CO-OPERATION"

## DES MOINES LIFE AND ANNUITY COMPANY

We will insure the whole family!  
Any plan, any age, either sex!

This is a service our men  
appreciate these days.

If it appeals to you, write

HOME OFFICE  
DES MOINES (R.T. Bldg.) IOWA

TERRITORY  
IOWA SOUTH DAKOTA

## Capable Policy-Placers

Can always find a satisfactory opportunity for work with this Company in good territory—men who can collect the premiums as well as write the applications. Why not make inquiry now?

Union Mutual Life Insurance Co.  
PORTLAND, MAINE

Address: ALBERT E. AWDE, Supt. of  
Agencies

A Penn Mutual Premium, less a Penn Mutual Dividend, purchasing a Penn Mutual Policy, containing Penn Mutual values, makes an Insurance Proposition which in the sum of all its Benefits, is unsurpassed for net low cost and care of interest of all members.

The Penn Mutual  
Life Insurance Company  
of Philadelphia

On January 1, 1920, Rates Were Reduced  
and Values Increased to Full 3% Reserve.

Lownsbury, who has been with the company for a number of years at Toledo will continue to be associated with the office.

E. C. Wolcott

The National Fidelity Life of Sioux City, Ia., has opened a branch office in Kansas City, under the management of E. C. Wolcott, who is also vice-president of the company and manager of the boys' department.

Val H. Hawkins

Manager Karl B. Korrady of the Chicago branch of the Missouri State Life announces the appointment of Val H. Hawkins as special service man in the accident and health department. Mr. Hawkins is an experienced accident and health man, having served as field representative for the Meeker & Magner Agency of the General Accident in Chicago for over six years. The Missouri State Life writes a very fine accident policy and the new department, which has been established about a year, is already making wonderful progress.

### Life Agency Notes

Percy C. Logsdon, former treasurer of the Rotary Club at Evansville, Ind., has accepted a position as general agent with the Travelers, with headquarters in Evansville.

Frank L. Hughes is the new Fond du Lac county agent for the Lincoln National Life Insurance Company, a recent official announcement states. Headquarters of the company for the northwestern district are at Minneapolis.

Anthony Olinger of Waukesha, Wis., is the new representative of the old Line Life Insurance company of Milwaukee at the former city. Mr. Olinger, whose appointment has been recently announced by officials, will have charge of the Waukesha district.

The Southern Life & Trust has appointed W. A. McGirt general agent at Wilmington, N. C. Mr. McGirt has several men connected with his agency. C. Pool White of Elizabeth City, N. C., has been appointed general agent for the company.

W. H. Heyman, formerly manager of Oscar Mayer & Co. of Madison, Wis., has associated himself with the Neckerman Agency of Madison as manager of the life department for the state of Wisconsin. The Neckerman Agency is state agent for the Continental Casualty and the Continental Assurance Company of Chicago.

### Paul F. Clark Agency Record

The Paul F. Clark and Associates Agency of the John Hancock Mutual Life in Boston is given credit for having written \$3,698,000 of actually paid-for business during the first six months of the present year. As an incentive to keep up the good work during the month ending Aug. 15, the agency is offering a free trip to the Toronto convention of the National Association of Life Underwriters, the winner to be selected by popular vote of the agency as being the one to make the best record, all things considered, for the month in question.

### More Liberal in Canada

Due to action by the Canadian government life companies may now issue policies to residents in Canada with both disability and double indemnity benefits.

Richard H. Hitchens of Bloomington, Ill., district manager of the Mutual Life consistently wins his membership in the agency club every year. He is a big league producer and never misses fire.

Founded 1865

## THE PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

Penna.

Provident Endowments protect against the Economic Loss caused by the Termination of an insured's Producing Power through Death or Old Age. The new Disability Clause adds protection when the Producing Power is terminated prematurely through Total and Permanent Disability.

Endowments in the Provident mature on the average approximately at 65. Between 25 and 65 the expectation is that one person will be totally and permanently disabled for every six persons who will die.

When the Disability is Total, 90 days' continuance establishes presumption of permanence. Without affecting other policy benefits, premiums are Waived and a Disability Income commences which (the Disability remaining permanent) *continues for life* and does not cease when the Endowment Matures.

Fourth and Chestnut Streets  
Philadelphia, Pa.

## HOME LIFE INSURANCE COMPANY of America

Incorporated 1899

### PROTECTION FOR THE ENTIRE FAMILY

This Company issues all modern forms of policy contracts from age 8 months next birthday to 60 years. Industrial policies are in full immediate benefit from date of issue. Ordinary policies contain a valuable Disability clause and are guaranteed by State Endorsement.

### GOOD CONTRACTS FOR LIVE AGENTS

Executive Offices, No. 506 Walnut Street, Philadelphia, Pa.

BASIL S. WALSH, Pres. JOSEPH L. DURKIN, Secy. JOHN J. GALLAGHER, Treas.

One SECRET OF OUR SUCCESS IS SERVICE

We have a contract for you under which your income will be limited only by your activities.

A REAL PROPOSITION FOR A REAL MAN

FEDERAL CASUALTY COMPANY, DETROIT, MICHIGAN  
Cash Capital, \$200,000.00 V. D. CLIFF, President

"Easy to read, easy to digest, easy to remember, easy to put at work making dollars for me"—thus writes a buyer of "Easy Lessons in Life Insurance," a text and review book with quiz supplement. \$1.00. The National Underwriter Company, 1362 Insurance Exchange, Chicago.

## Added Agency Opportunities

Advantageous agency contracts are open to men of established ability and integrity. Standard policy forms are now issued to male risks between the ages of 10 and 60 and to female risks between the ages of 15 and 60.

The entering of extensive additional territory is contemplated during the current year.

## CONTINENTAL LIFE INSURANCE COMPANY

ST. LOUIS, MISSOURI

EDMUND P. MELSON, President

J. DE WITT MILLS, Secretary

## Our Agents Have A Wider Field— An Increased Opportunity

Because we have Age Limits from 2 to 60. Policies for substantial amounts (up to \$3,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i. e. Annual, Semi-annual or quarterly premium plan. Participating and Non-Participating Policies.

### Same Rates for Males and Females

Double Indemnity and Total and Permanent Disability features for Males and Females alike.

Standard and Substandard Risk Contracts, i. e. less work for nothing.

**"THE OLD COLONY LIFE INSURANCE  
COMPANY of CHICAGO, ILL."**

## More Than 1¼ Million Policies Now In Force

Only four other life insurance companies in America have more policy contracts in force than this company. A study of the following growth in ten years is invited:

	Jan. 1, 1911	Jan. 1, 1916	Jan. 1, 1922
Assets	\$ 5,614,764	\$10,279,663	\$ 28,295,931
Policies in Force	371,106	613,615	1,294,394
Insurance in Force	49,245,028	89,596,833	265,197,626

Attractive opportunities open to agents in Ohio, Indiana, Kentucky, West Virginia, Pennsylvania, Michigan, Illinois, Missouri.

## The Western and Southern Life Insurance Co.

W. J. WILLIAMS, President CINCINNATI, OHIO

Organized February 23, 1888

## 1867 **EQUITABLE LIFE** 1922 Insurance Company OF IOWA

### Results of 1921

Insurance in force .....	\$286,934,616.49
Admitted Assets .....	\$ 39,234,839.04
Ratio of Actual to Expected Mortality .....	34.7%
68% of all business written since organization still in force.	

For information regarding Agencies  
Address:—Home Office: Des Moines

### CONSERVATION OF BUSINESS

We are reinstating, revamping and cleaning up indebted policies for a number of Life Companies, thus standardizing and conserving the business, increasing the income, preventing lapses, and keeping the policyholders satisfied, and at practically no expense to the Companies.

Our references cover eighteen years of satisfactory service, and we respectfully solicit your patronage.

THE OTIS HANN COMPANY, Inc.

10 So. La Salle St.

Chicago, Illinois

### LOCAL ASSOCIATIONS

**Dallas, Texas.**—The annual meeting of the North Texas association, which was to be held the last week in July, was postponed until the first part of August because of other meetings being scheduled in the city.

At the coming meeting officers for the ensuing year will be elected and a report of the year's work made. Something like 75 new members have been taken in during the past few weeks. The association is now the largest in the southwest.

**Kansas City, Mo.**—The Kansas City association will have no July or August meetings, though organization committees will be at work during these months on fall plans. The association is planning a large event for September. It is to be a get-together meeting of the 2,000 persons in Kansas City who are connected with the writing of life insurance. It is to include not only agents and managers, but clerks, cashiers and others who help indirectly in the business of writing life insurance. The life underwriters propose to inaugurate a new scheme to cultivate good fellowship among every person engaged in the life insurance business.

### NEWS OF COMPANIES

**Great Republic Life.**—It closed the first half of 1922 with a gain in production of a little over 21 percent, as compared with the same period of last year. The plans of the company include the development of an aggressive agency organization during the remainder of the year.

**Connecticut Mutual.**—During 1922 up to July 15 the company wrote \$41,941,427 of new business, comparing with \$38,896,816 in the same period last year. In the first half of July this year the company wrote \$3,566,316 of new business, compared with \$2,854,395. All figures are on a basis of policies actually issued.

### WITH INDUSTRIAL MEN

### NEWS OF THE PRUDENTIAL

Many Men Have Been Advanced to  
Position of Assistant Superintendent by the Company

Agent A. N. Oriante, of the New Orleans district, has made a unique record for the Prudential since his appointment last March. He went three months without any of his business becoming in arrears, and four months before he had a lapse of any sort, and then it was only one policy.

In the New York No. 7 district, Agents Abraham Lieberman and Joseph Zaccardo are setting a hot pace for their co-workers in debit conditions, both of these men having the lowest arrears and highest advance payments in the district.

New York No. 3 agents who are maintaining a good condition of debit are Julius Vogel, David Landesmann, Joseph H. Stein, Henry Horacek and Frank M. Kollender.

Assistant Ichiel Milstein, Brooklyn No. 8, has just succeeded in closing a substantial group case, demonstrating the fact that he is alive to the opportunities of doing big things.

Agent H. C. Hensge, of Portsmouth,

### FIDELITY LEAD SERVICE

brings the agent into contact with interested buyers of life insurance. Last year we distributed 47,604 direct leads—all interested prospects who had requested information. In 1921 this service, and Fidelity's original policy contracts, brought us within 75% of the unparalleled new business result of 1920.

Fidelity operates in 40 states. Full level net premium reserve basis. Insurance in force over \$223,000,000. Faithfully serving insurers since 1878.

A few agency openings for the right men.

**FIDELITY MUTUAL LIFE  
INSURANCE COMPANY,  
PHILADELPHIA**  
Walter LaMar Talbot, President

## ACTUARIES

**DONALD F. CAMPBELL**  
CONSULTING  
ACTUARY  
343 S. Dearborn St.  
Telephone Harrison 3384  
CHICAGO, ILL.

**MARCUS GUNN**  
CONSULTING  
ACTUARY  
29 S. La Salle St. CHICAGO  
Telephone Randolph 3473

**FRANK J. HAIGHT**  
CONSULTING  
ACTUARY  
810-813 Hume-Mansur Bldg.  
INDIANAPOLIS  
Hubbell Bldg. DES MOINES, IOWA

**JULIAN C. HARVEY**  
CONSULTING ACTUARY  
Chemical Building ST. LOUIS, MO.

**T. J. McCOMB**  
COUNSELOR AT LAW  
CONSULTING ACTUARY  
Premiums, Reserves, Surrender Values, etc., Calculated. Valuations and Examinations Made. Policies and all Life Insurance Forms Prepared. The Law of Insurance a Specialty.  
Colcord Bldg. OKLAHOMA CITY

**J. H. NITCHIE**  
ACTUARY  
1523 Association Bldg. 198 S. La Salle St.  
Telephone State 4992 CHICAGO

**FREDERIC S. WITHINGTON**  
CONSULTING ACTUARY  
402-404 Kraft Building  
Tel. Walnut 3761 DES MOINES, IOWA

**JOHN E. HIGDON** Actuaries & Examiners  
**JOHN C. HIGDON** 600 Gates Building  
Kansas City, Mo.

More agents read The National Underwriter than any other weekly newspaper of insurance. There are reasons—plenty of them. Our subscribers know.

## BUILD YOUR OWN BUSINESS

Under Our Direct General Agency Contract

Our Policies Provide for

Double Indemnity Disability Benefits  
Reducing Premiums

SEE THE NEW LOW RATES

ORGANIZED 1880

*The Manhattan Life*  
INSURANCE CO.

66 BROADWAY

NEW YORK



Ohio, has been promoted to the position of assistant superintendent at Lancaster, Ohio.

During the winter months the constellation Orion is one of the most brilliant and best known group of stars in the heavens. Living up to his name, Agent Orion Turney, of Lima, is the "bright particular star" of the Division G. constellation at the present time. This luminary outshines all his contemporaries in yearly net industrial increase. He has consistently produced a large volume of business every week since the first of the year and his special salary earnings run well up into four figures for the first seven months. On his debit of approximately \$300 he carries low arrears and his advance payments have been increased over 200 percent since Jan. 1. In the ordinary department he is credited with a good amount of net issue.

Assistant Superintendents of Division H having the lowest net lapse per \$100 of debit for the first half of 1922 are: H. L. Smith and C. S. Divine, Binghamton; P. H. Greene and J. C. Withey, Utica; W. T. Nix, Ithaca; S. F. Campbell, Glens Falls, and E. M. Fox, Buffalo No. 3. H. W. Steffy, an agent in Lancaster, Pa. district, has reduced gross arrears on his debit of \$240 to 5 percent; increased the advance payments to over 550 percent and is one of the leading men in his district in both ordinary net issue and industrial net increase.

Agents Noral A. Young of East St. Louis, Ill., and Clarence V. Welch of Joplin, Mo., have been advanced to the position of assistant superintendent in their respective districts.

The following agents have been promoted to assistant superintendents in their respective districts: Albion C. Deane, Paterson, N. J.; William H. Kurtz, Waterbury, Conn.; William A. Hertz, New Haven, Conn.

Assistants Fred W. Newhouse and Patrick H. Fahey, St. Paul, Minn., are leading in industrial in division P and rank among the top-notchers of the company for the year. Agent Dwight V. Howell, Minneapolis, Minn., is doing splendidly in industrial.

Assistants William G. Cook, Joplin, Mo., has been promoted to superintendent and was placed in charge of the Sacramento, Calif. district. In his former assistantcy he made a remarkable record, being constantly one of the leaders of Division Q.

There is a change in the management of the Sault Ste. Marie, Ontario agency organization. The last incumbent, W. A. Campbell, was transferred to Port Jervis, N. Y., and succeeded at the "Soo" by Joseph Sharp, formerly assistant superintendent at St. Thomas, Ontario.

#### Arthur E. Zinke

Arthur E. Zinke is the new district representative of the Metropolitan Life Insurance Company at Portage, Wis. Mr. Zinke was former manager of the chain store at Portage. His territory includes Portage, Kilbourn, Columbus, Poyette, Pardeville, Wyocena and other surrounding communities. The Metropolitan has established a nursing service at Portage, with Miss Edna Doepke as local nurse for industrial policyholders.

#### Western & Southern News

E. M. Kitzmiller has been appointed superintendent of the Columbus, O., North district, by the Western & Southern Life. He became an agent of the company at Columbus, Nov. 18, 1907. In April, 1917, he was promoted to assistant superintendent of the district and now succeeds Superintendent C. H. Curry, who has been granted a leave of absence.

Assistant J. F. Ewing has been transferred from Edgewater to Cleveland East, and L. G. Burlingame from Pittsburgh East to Warren, O.

The following appointments to assistant superintendent are announced: P. F. Deegan, Braddock, Pa.; H. G. Collins, Edgewater; F. Petrak, Cleveland West; O. W. Remaley, Pittsburgh East; H. Siefert, Pittsburgh East; A. Blankenmeyer, Indianapolis South; A. R. Hires, Detroit North.

### BIDDING FOR AGENTS ENDANGERS BUSINESS (CONTINUED FROM PAGE 1)

insurance he can carry and that while he is not interested in life insurance, he might consider an accident and health policy. What is the agent inclined to do? He naturally follows the line of least resistance and commences to talk an accident and health policy. He sees a chance to make a sale of some sort instead of no sale at all and begins to press down on his prospect. He winds up by selling an accident and health policy for a \$25 premium and walks out of the office thinking he has done something. All he has done is to succumb to the temptation to give the prospect anything that was called for.

#### Specialist Is Better Salesman

"Now suppose that he specialized in life insurance entirely. When told by the prospect that there was no chance of making a sale, the same salesman would only have gone after his man harder. He would have used every trick in the bag in order to close the sale because no sale of life insurance means for the man who has nothing to sell but life insurance no sale at all. There is no other way out. If a man wants automobile insurance or plate glass insurance or any other kind of insurance, the life insurance specialist has nothing to offer him. He must either sell him life insurance or nothing. He must sink or swim with life insurance.

"Don't you see that such a man is a better life insurance salesman simply because he has nothing else to sell? His very specializing gives him greater determination. In every interview it is up to him to sell life insurance or to walk out without anything. Such a man is not an insurance peddler. He is a specialist who talks, thinks and sells one thing. Anyone can be a general insurance salesman and make a certain amount of money at it. I mean that any sort of person might go out and call on a large number of people every day, offer every known kind of insurance under the sun and make a sale every so often. There is a latent demand for insurance of one kind or another and the man who exposes himself to enough prospects, who offers his goods to a sufficient number of people will eventually find somebody that wants some kind of insurance. But this is not selling, it is the worst kind of peddling. It has no appeal for the

## New England Mutual Life Insurance Company

Boston, Massachusetts

New Insurance Paid-for, 1921 . . . \$ 82,072,020  
Gain in Insurance-in-Force . . . 48,641,846  
Total Insurance-in-Force . . . 609,415,082

*New England Agents Write Persistent Business*



### 17,651 CLAIMS PAID IN 1921

Most of the 17,651 claimants to whom we paid indemnity of \$1,107,718.38 for loss of time from injuries or illness are still adding regularly to their life insurance. These drafts are delivered by our own salesman ready to avail himself of a cordial introduction to the claimant's friends, or to provide the claimant himself with the additional life protection he intends to take sometime.

We can use more good men to help deliver the 20,000 claim drafts we will issue during 1922. If you want to make MORE MONEY a letter with satisfactory references will bring you full particulars.

**BUSINESS MEN'S ASSURANCE COMPANY**  
W. T. GRANT, President KANSAS CITY, MISSOURI



### To the Man Who Is Willing—and WILL

We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE

For Contracts and Territory, Address

**H. M. HARGROVE - President**  
Beaumont, Texas

Rates per \$1000.00, age thirty, includes Double Indemnity for accidental death from any cause and a premium waiver with \$10.00 monthly income disability.

Ordinary Life.....	\$21.02	Endowment Age 50.....	\$44.82
20 Payment Life.....	31.12	Endowment Age 55.....	33.15
20 Year Endowment.....	44.82	Endowment Age 60.....	29.52
Coupon Bond.....	35.71	Endowment Age 65.....	25.78
Endowment Age 85.....	22.37	Endowment Age 70.....	20.42

District Manager wanted for Cincinnati and surrounding territory.

**THE GEM CITY LIFE INS. CO., Dayton, Ohio**



## Southland Life Insurance Co.

DALLAS, TEXAS

The Progressive Company of the South  
**HARRY L. SEAY, President**

## Philadelphia Life Insurance Company

If you live in Illinois and if you desire to establish a Local General Agency in your city,

ADDRESS

Manager of Agencies or **Michael Montague, State Agent**  
111 No. Broad Street Philadelphia, Pa. 1416 Mellers Building Chicago, Ill.



## The Masonic Mutual Life Association

*This Did Not Happen by Chance*

New Insurance Issued in 1921 .....	\$ 42,448,000.00
Gain in Insurance in Force .....	30,124,750.00
Insurance in Force Dec. 31, 1921 .....	101,222,295.00
Assets .....	4,613,494.57
Increase in Assets .....	1,518,954.00
Increase in Reserve .....	1,282,156.00
Increase in Surplus .....	225,575.00

Unexcelled Life Insurance Protection—Lowest Net Cost  
Absolute Security — Perfect Service — Square Dealing  
A Satisfied Field Force  
William Montgomery, Pres. Homer Building, Washington, D. C.

## WANTED

One of the Standard Legal Reserve Life Insurance Companies,—Location Middle West, wishes two reliable representatives to do special Field work in Illinois and Indiana. Salary and Commission. None but producers need apply—new and up-to-date policy forms—hard to beat! Reference required. For detailed information address **B-39**, care of the National Underwriter.

life insurance man who knows that he can sell life insurance, take some pride in his work, and is ambitious to reach as many people as possible with his life insurance message. The salesman who weakens, who is tempted to give the prospect what is called for, whether it be compensation, steam-boiler or rain insurance, eventually loses his real selling ability, and gets to placing with the companies that he represents orders for every kind of insurance that is offered to him."

#### Many Believe Specialist Gone

There are, on the contrary, plenty of insurance men who believe that the day of the specialist has passed, and that the up-to-date insurance man must be able to serve his customers in more ways than one. A general agent for one of the multiple line companies sums up the views of this group by saying, "Those who still advocate that a life insurance man must be an out and out life man and sell nothing else are, I believe, quite out of date. A life insurance man can be a specialist if he wants to, but why should he pass up a lot of good money in the way of commissions that might easily fall to him without in the least interfering with his life business? Let me cite you a typical situation. An agent calls on a new prospect, has a comparatively

short interview with him and finally sells him a low priced accident and health policy. He stays away from his new customer for a month or so and then comes back and tries to land and succeeds in getting his workmen's compensation business. Then later he writes his automobile insurance and still later his burglary insurance. After that he gets his plate glass business and winds up by capturing a part of his fire insurance line. During all this time, life insurance has not been mentioned, but the agent has been fortunate enough to settle a workmen's compensation claim, to pay for a broken plate of glass and to give his customer a small check for a fire insurance loss. With each transaction, the customer's confidence in the agent has grown. He has become pleased with the service, has been paid some money back which is something that every customer wants and has commenced to look upon his insurance man as someone worth while after all. With this as a background, the agent makes a canvass for life insurance and sells a \$25,000 policy because his man believes in him, knows that the rest of the insurance he has sold him is first grade, and has no hesitancy in buying life insurance from him. Isn't that all very natural and logical?

"Now suppose that a life insurance specialist, a man giving every moment of his selling time to life insurance, were to attempt to sell the same man. How far would he get? He would have difficulty in passing the secretary at the gate and when he finally did get into the prospect's office all out of breath, he would find his man rather cold and certainly ruffled over being so unceremoniously approached. How much chance would a total stranger have of landing a \$25,000 policy? You know as well as I do that he would have no chance at all and the fact that he was a specialist selling nothing but life insurance, would not help him in the least. He would just be out of luck. That same thing with variations is happening every day. It might not happen just that way, but the idea still attaches to every case that you might bring up. The way to build up confidence is to have frequent contact with your customers. The life insurance man does not work that way. He calls on his man, sells him a policy and then does not go near him again for five years or so. The general insurance man who has something new to offer every six months or so gets on the inside track with his clients. He sees them often enough to know what they are doing, how they are progressing,

what changes they are making and what their present day insurance needs are. He is in touch with the situation all of the time and knows when to spring something new on his customers."

#### Life Men Best Salesmen

One reason why life insurance salesmen are being urged to sell every conceivable form of indemnity is that it has been found that they are in the last analysis the best insurance salesmen. They seem to have as a usual thing, a keener insight and a stronger closing ability. A first-class life insurance salesman for example is usually a much better salesman than an accident and health or fire insurance man. He has developed further and usually has a superior class of policyholders. Knowing this, life, fire and casualty insurance companies are urging life men to make use of their odd moments in the sale of other forms of coverage. In addition, the companies specializing in substandard business are trying to get life insurance men to turn over their under-average cases to them. Thus, life men are taking on other activities, and are giving more attention to things that a few years ago they refused to be interested in. This change has interfered somewhat with the old one company attitude formerly held by most life insurance men. It has perhaps reduced the sense of loyalty held by many to a particular company and made them feel that they are general insurance salesmen representing several companies instead of one. It is felt by a number that as this tendency spreads, the big city agencies composed of men giving their entire time to life insurance will operate with reduced forces, but will write as much business as before, receiving considerable of it from outside sources.

#### Church as Selling Place

Napoleon F. Franchere, salesman at Cedar Rapids, Iowa, for the Bankers Life of Des Moines, recently called on a woman prospect in a small town near Cedar Rapids. As she was occupied at her place of business, Mr. Franchere suggested that they go to her home to talk over the proposition.

On the way they passed a church and in order to save time and mileage, Mr. Franchere suggested that they use the church for their conference. The prospect assented and Mr. Franchere closed an application for a \$5,000 twenty year endowment. He reports that he felt inspired by the unusual setting chosen for his sales efforts.

#### Life Notes

The many friends of Hugh West, agent at Jackson, Miss., for the New York Life, will sympathize with him in the death of his brother, Will West, which occurred in New Orleans last week.

Harry E. Aldrich, vice-president and manager of agencies of the Equitable Life of Iowa, was in San Francisco en route to the Pacific Northwest to attend regional sessions of the company's agents.

Michael Flanigan, 38 years in the employ of the Aetna Life in Peoria, Ill., died at the age of 75 years. He had resided in Peoria and Pekin nearly 40 years and was prominent in the Creve Coeur Club.

George T. Dexter, vice-president of the Mutual Life of New York, was a visitor to San Francisco last week and was the guest of honor at a dinner given by the W. L. Hathaway agency organization in San Francisco.

At the final session of the national triennial convention of the Lutheran Mutual Aid society at Oshkosh, Wis., a plan of reorganizing the old members was adopted. Under the new plan the rates of membership will be raised slightly.

The farm loan agency of the Northwestern Mutual Life at the central Illinois district has been taken over by H. C. Luehrs. Mr. Luehrs has been assistant state treasurer of Illinois since January, 1915. The change is effective Aug. 1.

Henry F. Tyrell, legislative counsel for the Northwestern Mutual Life of Milwaukee, is convalescent at his home from a recent illness which prevented him from attending the sessions of the Northwestern Association of Agents' meeting last week.

# AMERICAN CENTRAL LIFE

## Insurance Co.

INDIANAPOLIS, IND.  
Established 1899

HERBERT M. WOOLLEN  
PRESIDENT



# MODERN BUSINESS GETTING METHODS

## Some Methods Used in Gaining People's Confidence Explained by Dr. Albright, Great Ace of the Northwestern Mutual

DR. C. E. ALBRIGHT of Milwaukee, star producer for the Northwestern Mutual Life has an article in the August edition of the "American" Magazine entitled "Five Ways to Make People Believe in You." Dr. Albright leaves the impression in his article that the life insurance man must be prepared for the sale. His case is not worked up on the spur of the moment, but his success depends largely on what he knows about the business and his ability to apply it to special cases.

Another point Dr. Albright makes is that the life insurance man must know when to strike the iron. He finds that many cases that might have come through successfully are thwarted because of the agent's lack of knowledge of human nature. Dr. Albright says that he often spends weeks and even months without a single mention of insurance in the endeavor to have a prospective buyer get confidence in him. He says that the confidence of the buyer is the most important element and the only indispensable element in making sales. He declares that the measure of a man's achievements will depend largely in the last analysis on the amount of confidence he can command from others.

### Changes from the Medical to the Sales End

Dr. Albright was formerly assistant medical director of the Northwestern Mutual Life. He had an excellent opportunity to get a clear understanding of life insurance possibilities and their application. He felt that he might make a greater success in the selling end than in the medical department. He concluded that the ideal sale would be one made under the following conditions:

1. The prospective buyer would have a definite need.
2. A plan or product could be presented that would ideally meet his needs.
3. The prospective buyer could afford to pay the price whatever it might be.
4. He would have confidence in the salesman.

### Concentration on Men of Important Affairs

Dr. Albright in 1905 began selling insurance. He concentrated his efforts primarily on important men of affairs, big business and professional men. He reasoned that they for one thing had a greater need of insurance because of their larger interests and that there could be no question about their ability to pay for it. In spite of this Dr. Albright sells many small policies. He says that he always plans to have the buyer decide the amount. Any other method might in his judgment result in over insurance. Dr. Albright found that being worthy of confidence was not the whole thing. It is equally necessary, he says, to let people know in the right way that you are worthy. It can best be done indirectly, he declares. It is ineffective merely to tell a man that he should have confidence in you. The proof to be convincing must be of another kind. It must consist not so much in what you say as in what you do and what you are known to be.

Dr. Albright in making his canvass says that he realizes that every man resents being forced into a line of action by somebody else, but he enjoys the satisfaction of arriving at his own

decision and acting on it. It is his experience that whatever a man has to sell, he does not help his case or increase the buyer's confidence in the salesman by being over eager or insistent. He says that so many salesmen cultivate insistence of the kind that is annoying to prospects. He believes that most buyers regard with relief any man who does not unduly impose upon them his own idea of what they should buy. They place, perhaps, greater confidence in a salesman for that very reason. Dr. Albright says that he makes it an inflexible rule not only to urge a man to buy but also never to introduce the subject of life insurance into a conversation himself.

Dr. Albright seeks to learn something about the conditions of his prospects and then have appropriate suggestions as to how to meet them. He says that whenever he has occasion to reflect upon the benefits that have been conferred upon the beneficiaries of his own policyholders through life insurance he has placed, several cases stand out as illustrating a point which has been frequently made by experts. Many men who have sufficient earning power at certain periods during their lives to carry substantial lines of life insurance die leaving nothing but their life insurance.

### Aims to Build up a Coterie of Friendship

Another means of building confidence that Dr. Albright mentions deals with the kind of company a man keeps. This he thinks is very important. He says that he spends at least one week each month in New York. Occasionally a few days in Cleveland and one or two days of nearly every month in Chicago. He makes it a rule never to go

to either of these cities without meeting some one who is worth while and whom he has never met before. Dr. Albright may not talk to him about insurance. The subject may never arise between them, but having ascertained in advance that the man is worth knowing he lets him learn something about himself at the time that Dr. Albright tells him that he would like to call. In this way he is continually broadening his acquaintance among men who, for what they are doing in the world of affairs and not merely because they might buy insurance, are well worth knowing. Dr. Albright says that he rarely sells insurance to a man with whom he has not previously become well acquainted for reasons other than those connected with insurance.

### Five Points Stressed in Gaining One's Confidence

Dr. Albright sets down the means that seem to him of chief importance in winning confidence for a man. He stresses five points:

1. He should have a worthy product. If he himself is the product he is trying to sell that of course means right thinking and right living.
2. He should have a thorough knowledge of this product.
3. He should be able to demonstrate the product clearly and forcefully, but without unnecessary flourish.
4. He should cultivate restraint. He should allow the other man the privilege of forming his own opinion after the facts are presented.
5. He should watch the character of the people with whom he associates and does business and he should be assiduous to merit their good opinions.

Dr. Albright in his article in the "American" magazine cites a number of personal instances to illustrate the point that he makes. He takes chapters out of his own insurance experience to show the methods that he uses. The article is well worth perusing as it gives many a hint to the man out on the firing line.

## SELLING GROUP LIFE INSURANCE

### H. C. Reichgott of Missouri State Life Gives Some Valuable Suggestions to Agents

SOME valuable selling suggestions on group life insurance were made by Henry C. Reichgott, manager of the group department of the Missouri State Life, in a recent address on the benefits of this form of insurance to a community, the insured and the agent. Mr. Reichgott outlined the developments in group insurance, pointing out the change in selling methods from the basis of tangible results to that of intangible results. He said that successful group salesmen are now leaving the matter of concrete and individual results to the prospect and are centering their selling talks around the matter of increased good will and cooperation.

In the early days the insurance salesman laid more stress on the effect the insurance would have on the rate of labor turnover and the consequent dollar and cents saving. He laid more stress on this factor than he did on the results group insurance would bring in the way of a better understanding between employer and employee. However, Mr. Reichgott said times have changed and the group insurance salesmen today recognize that the chief benefits to be obtained by any employer from group insurance will come through the insurance he gives his employees that they and their families will be adequately provided for in the emergency. All other benefits are incidental to this fundamental one and the selling talks should be built around the reputation

the employer establishes of caring for his employees and their families.

Speaking on the general benefits derived from the operation of group insurance contracts Mr. Reichgott said that it is very often found that the idealistic attitude is not appreciated and many are not in favor of spending their money in this manner. This, however, is partly explained by the very fact that at least 20 percent of any organization are so impaired they cannot obtain life insurance and about 40 percent of the employees have either no insurance at all or carrying so little that it is of practically no value. Under these circumstances the value of group life insurance is difficult to picture, although the benefits from contracts which will give adequate protection to the entire force are such that the salesman of the contract is doing a service both to the employees and the community in which they live.

One reason for Mr. Reichgott warning against selling on the basis of dollars and cents returns is that the employer is apt to consider the group contract as a substitute for proper working conditions in the factory or organization. It cannot be considered as a substitute for an adequate pay or sanitary and pleasant working conditions or fairness or justice in industrial relations. These fundamentals must be in existence before the employers can be considered worth-while prospects for group insurance.

## H. O. Kramer Invents Introdutograph Device

H. O. Kramer of Columbus, O., state manager of the North American Life of Chicago has invented a useful and novel device known as the "Introdutograph." Mr. Kramer got the idea from a street faker who was trying to attract attention. The idea of the device is to get the attention of a prospect and to divert his mind from the subject that is engrossing his attention to that which the agent desires to speak about. The device is operated by a crank which grinds out bills of any denomination that the agent desires, which have been placed in the machine. Here is the kind of talk Mr. Kramer gives:

"Mr. Jones, you will be greatly interested in this device that I am going to show you. You see I am grinding out \$5 bills. If you had a machine of this kind and would see it grinding out money of this character it would be a most valuable possession. You would do everything to protect it. There is the machine grinding out money steadily every day. If it gets impaired so that it cannot continue grinding you would have it repaired hastily. If it should get lost or it should get entirely destroyed it would be a tremendous mishap. Any machine of this kind that can convert money from its internals is certainly one that we should all desire to possess. Now Mr. Jones I am going to show you just such a machine which you do possess. I want you to look at it carefully. It is a very priceless possession."

### Mirror Effect Is Used

Mr. Kramer has on the front of his machine a mirror. He turns the mirror so that his prospect can look into it. He then continues:

"You see, Mr. Jones, the illustration that I am making. You are just that machine. Were it not for your training, your experience, your brain power, your capacity, you would not be able to make money. You are the machine that is grinding out money. If anything happens to you and the machine is destroyed there will be no more money ground out. My proposition to you is to safeguard that machine in every possible way. Protect it just as far as you can. If the machine is destroyed or is greatly impaired, and you were offered a plan whereby its operations could be kept going at least to some extent, you should take advantage of it."

Mr. Kramer has been successful in closing a number of cases by this novel device. It visualizes life insurance. It gets the attention of a man. It is something that he has not seen before. It illustrates perfectly one of the big functions of life insurance. Mr. Kramer is now thinking of putting the machine on the market. He has tried it out himself and he has had some of his agents experimenting with it. It only weighs a pound and can be easily carried.

ance. Group insurance is not a panacea for all industrial troubles and can work efficiently in only such organizations where the employer is genuinely interested in the welfare of his men. Under these circumstances and with groups of 15 or more being taken without examination, there is a tremendous field for an active group salesman. Mr. Reichgott also traced the rapid development of the group department of the Missouri and is leaping rapidly to higher marks. State, showing how, in its brief career of two years, it has reached seventh place in total group business in force,

## The Close of the Day's Work

WHEN you begin to figure up your earnings and recall the several reasons for failures during the past year, you then more than any other time keenly realize the importance of a helpful constructive home office service that trains you to overcome such failures.

One of the vital elements which makes your day profitable is a harmonious working arrangement with home office officials and a direct co-operative spirit generously given.

All this and more we constantly strive to give our agents. This coupled with good policy contracts and liberal commissions, is an incentive which should interest any ambitious agent who wishes to make the most of his salesmanship efforts.

We would like to hear from several good men for important field positions

**Inter-Southern Life Insurance Company**  
JAMES R. DUFFIN, President LOUISVILLE, KENTUCKY

## The Companies That Stay Are the Companies That Pay

When a company has proven its staying qualities, as the Western Reserve Life Insurance Company of Muncie, Ind., has, the agent who desires to be a general agent can think favorably of that institution. Permanent success can only be attained through a permanent connection. The companies that stay are the companies that pay the representative in the long run.

**WESTERN RESERVE LIFE INSURANCE CO.**  
J. H. Leffler, Acting President John W. Dragoo, Secretary Harry H. Orr, General Counsel  
MUNCIE, INDIANA



## George Washington Life Insurance Company

*A Definite Territory  
A Liberal Contract  
Low Premium Policy Contracts*

Opportunities open in West Virginia, Ohio, Kentucky, Tennessee, Virginia, North Carolina, South Carolina and Georgia. Address:

ERNEST C. MILAIR, Vice President and Secretary

## SECURITY LIFE INSURANCE CO. OF AMERICA

O. W. JOHNSON, President

ROOKERY, CHICAGO

INSURANCE IN FORCE DEC. 31, 1921	\$37,100,961
Assets	4,442,069
Payments to Policyholders since Organization	3,727,743

Exclusive General Agencies for Minneapolis, St. Paul and Duluth, direct with the Company.

*Openings for General Agents and Managers in Fifteen States*

Address S. W. GOSS, Vice-President and Manager of Agencies

## MAKING MONEY

That DETROIT LIFE Agents are making money is evident from the fact that during the first six months of 1922 Detroit Life Agents wrote \$7,885,000 of new business in Michigan.

This is an increase of 40 per cent over the same period last year. In June, DETROIT LIFE Agents wrote \$1,808,000 of new business in Michigan.

There are some very fine agency opportunities with the Detroit Life, especially for experienced agents. Can also use a few part time men. Home office co-operation assures success.

M. E. O'BRIEN, President.

## Why Most Banquets Are Anything But Interesting

AT every banquet there are a dozen expressions that, without fail, will be used by the speakers during the course of the evening. It is impossible to dodge them. They are regarded as "sure-fire." No banquet was ever served at which at least ten of these twelve deadly phrases were not hurled at the audience by otherwise well-intentioned men. Cut this list out and check up on the speakers the next time you are going to hear some after-dinner speeches. Here it is:

1. "Unaccustomed as I am to public speaking"
2. "—which reminds me of a story. Our two good old Irish friends, Pat and Mike, were—"
3. "If you will bear with me for a moment"
4. "You will get out of this organization just what you put into it"
5. "The man whom I am about to introduce"
6. "I owe you an apology for not having prepared a paper in advance but—"
7. "The speaker that we are to hear from next needs no introduction"
8. "I am sure that an audience of this kind does not have to be reminded that—"
9. "So that I might not wander from the subject, and in order to be as brief as possible, I have reduced my thoughts to writing"
10. "I move you, sir, a rising vote of thanks to the speaker who has so graciously enlightened and entertained us"
11. "Gentlemen, I thank you."
12. "I know there are many others present who are much better fitted to speak on this subject than I am."

—H. J. B.

### Life Men at Vancouver

The \$250,000 Club of the Mutual Life is meeting in Vancouver this week. A special train of members from the east, south and central west left Chicago, Thursday night. The \$125,000 Club of the western division will meet at Vancouver, Aug. 8-9. The convention is in charge of the Managers Association's special committee consisting of C. R. Posey of Baltimore, J. S. Myrick of New York City and Darby A. Day of Chicago.

### Iowa Equitable Men on Coast

Harry E. Aldrich, vice-president of the Equitable Life of Iowa, is on a visit to the Pacific Coast agencies of his company.

On his trip homeward, Mr. Aldrich will make stops of from three to four days each at San Francisco, Portland, Seattle, Spokane, Aberdeen and Sioux City.

Guy Hunter, auditor of the company, is also visiting southern California.

### Rose Made Assistant Secretary

Charles C. Rose has been appointed an assistant secretary of the Metropolitan Life.

### Life Notes

Secretary Geo. W. Fowler and Actuary J. E. Flanagan of the Bankers Life of Des Moines have just returned from a tour of the western agencies of the company. They held schools of instruction in practically all of the agencies west of the Missouri River.

The Strong & North agency at Detroit, Mich., for the Bankers Life of Des Moines, reports the following steady progress in 1922 for the months from February to June, inclusive: February, \$279,000; March, \$283,500; April, \$429,000; May, \$442,000; June, \$457,000.

James A. Fetterly, general agent at Milwaukee for the Great Northern Life and Central Business Men's Association, recently underwent an operation at Columbia Hospital, Milwaukee. His condition is reported favorable, although the operation was of a serious nature.

Marion M. Kelley, with the Bankers Life of Nebraska at Bridgeport, Neb., died at his home following an illness of three weeks. Mr. Kelley had been in Bridgeport for ten years, going from Hastings, Neb., at that time, and has been active in community affairs in Bridgeport.



## American National Insurance Company OF GALVESTON, TEXAS

W. L. MOODY, JR.  
President

SHEARN MOODY,  
Vice-President

W. J. SHAW,  
Secretary

### FINANCIAL STATEMENT, DECEMBER 31, 1921

ADMITTED ASSETS		LIABILITIES	
Real Estate Owned.....	\$ 896,517.61	Net Reserve, American Ex- perience (3 and 3 1/2%).....	\$9,261,807.63
Mortgage Loans (First Lien).....	4,108,612.42	Special and Contingent Reserves	204,251.00
Collateral Loans.....	1,000.00	Reserves for Death Losses in Process of Adjustment or Adjusted and Unpaid.....	105,608.25
Loans Made to Policyholders (on this company's Policies).....	1,198,944.47	Reserves for Taxes.....	129,129.51
Bonds.....	3,536,822.42	All Other Liabilities.....	158,244.72
Cash in Banks.....	1,463,977.37	Capital Stock.....	\$500,000.00
Certificates of Deposit.....	6,908.28	Assigned Funds.....	243,252.00
Interest Due and Accrued.....	237,661.04	Surplus.....	1,070,643.81
Deferred and Uncollected Pre- miums (Less Loading).....	221,999.36	Surplus to Policyholders.....	1,813,895.81
All Other Assets.....	493.95		
<b>TOTAL ASSETS</b> .....	<b>\$11,672,936.92</b>	<b>TOTAL LIABILITIES</b> .....	<b>\$11,672,936.92</b>

Ordinary and Industrial Life Insurance in Force, \$157,699,773.00

Operates in Nineteen States and the Republic of Cuba

"ANCHOR TO THE ANICO"

### ONE OF THE REASONS for The Shenandoah's Unprecedented Success—The S-O-M-E Policy

1. \$10,000 to \$14,683 } ORDINARY DEATH
2. \$20,000 } --ACCIDENTAL DEATH
3. \$100 } PER MONTH FOR LIFE IF TOTALLY  
          } DISABLED  
          } and  
          } TO YOUR FAMILY UPON YOUR DEATH

And matures as an old age endowment. Premiums payable for 20 years, with four liberal options NOT DEPENDENT UPON EXAMINATION.

ONLY ONE OF OUR MANY LIBERAL POLICY CONTRACTS.

We also offer Double Indemnity and Disability as well as all forms of policies (except Term) to women at the same rate as male risks.

OUR STRENGTH—\$2.06 for every dollar of liability

**The Shenandoah Life Insurance Co.**  
Roanoke, Virginia

General and District Agency openings in Arkansas, North Carolina, Virginia, West Virginia, New Jersey, Tennessee, and South Carolina.

On Agency matters address—W. F. MACALLISTER, Agency Manager

## THE CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

1846

Hartford, Conn.

1922

### What Is Service?

The progress of this Company for more than seventy-five years has been accomplished on the basis of true mutuality and the broad principle of the most complete and perfect life insurance protection possible.

Through the medium of individual service of a high character, "Public Demand" has been interpreted as the fulfillment of individual needs.

Connecticut Mutual life insurance protection is complete and satisfactory; specifically adapted to particular needs.

### Co-operation That Counts

Two of the features in THE GUARDIAN'S comprehensive plan of service to Agents which aid our representatives to increase their production:

A TRAINING COURSE for new Agents.

The PROSPECT BUREAU, which develops real, bona-fide leads for all Agents, old and new.

If you want to know the whole story of what this Company is doing for its Agents, address:

T. LOUIS HANSEN, Vice-Pres., or GEO. L. HUNT, Supt. of Agencies

**The Guardian Life Insurance Company**  
OF AMERICA

Established 1860 under the Laws of the State of New York

Home Office:

50 Union Square, New York

**THE COMPANY OF  
SUCCESSFUL**

**SALESMEN—**

**BANKERS LIFE**

GEO. KUHN PRES.



DES MOINES

## Hotel La Salle

Chicago's Finest Hotel

Hotel La Salle has won this title with an experienced and critical public because of its happy blend of old and new ideals.

### Hotel La Salle

answers every modern demand in equipment, cuisine and service with nothing lost of old fashioned hospitality and home-like comfort.





**NEW HOME OF THE GREATEST ILLINOIS COMPANY**  
Corner Lake Shore Drive and Scott Street

Land and Building Owned and Occupied Exclusively by the

## **ILLINOIS LIFE**

*Admitted Assets, December 31, 1921* ..... **\$19,413,846.72**

*Payments to policyholders and beneficiaries since organization*    **21,566,983.06**

### **FIVE YEARS RECORD**

	Year Ending Dec. 31, 1916	Year Ending Dec. 31, 1921	INCREASE
Interest Income. .	\$ 620,562.65	\$ 991,613.43	\$ 371,050.78
Premium Income. .	2,419,486.91	3,818,060.43	1,398,573.52
Admitted Assets. .	12,946,337.03	19,413,846.72	6,467,509.69
Insurance in Force	80,280,589.82	136,485,045.27	56,204,455.45

## **ILLINOIS LIFE INSURANCE COMPANY** **CHICAGO**

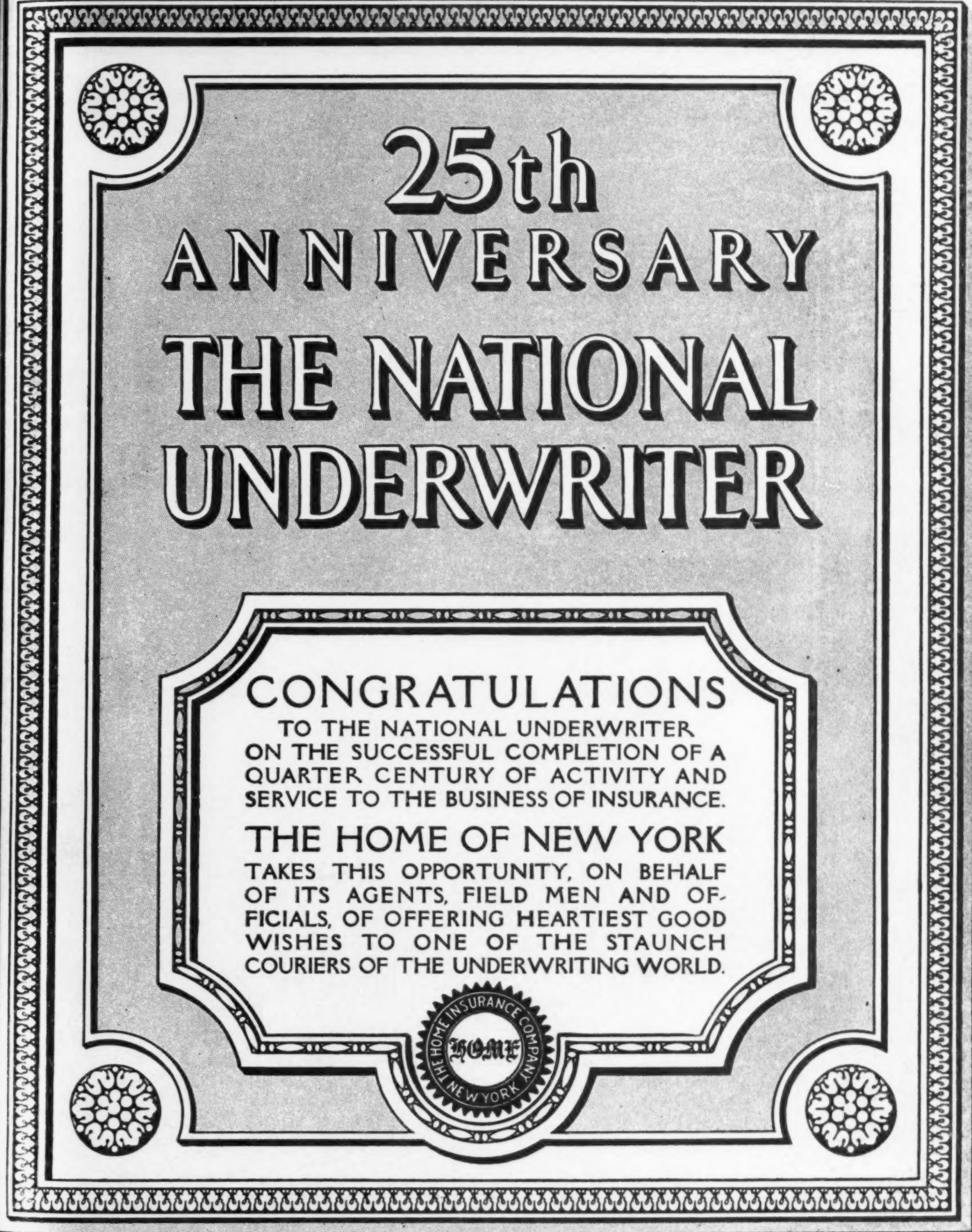
**James W. Stevens, President**  
**GREATEST ILLINOIS COMPANY**











# 25th ANNIVERSARY THE NATIONAL UNDERWRITER

## CONGRATULATIONS

TO THE NATIONAL UNDERWRITER  
ON THE SUCCESSFUL COMPLETION OF A  
QUARTER CENTURY OF ACTIVITY AND  
SERVICE TO THE BUSINESS OF INSURANCE.

## THE HOME OF NEW YORK

TAKES THIS OPPORTUNITY, ON BEHALF  
OF ITS AGENTS, FIELD MEN AND OF-  
FICIALS, OF OFFERING HEARTIEST GOOD  
WISHES TO ONE OF THE STAUNCH  
COURIERS OF THE UNDERWRITING WORLD.



# The 25<sup>th</sup> ANNIVERSARY



From the beginning ( in 1897 )  
striving, more and more, to help  
Agents has been our aim-like the  
"NATIONAL UNDERWRITER"  
from 1897 to 1922



**Most certainly the unjust and meretricious attacks upon the integrity of the insurance business can and should be confounded.**

**One very effective method is to place before your larger assureds the plain, concise statement of the actual facts as set forth in "What the Business Man Should Know About Fire Insurance."**

**In limited quantities it is free.**

## **The Lloyd-Thomas Co.**

RECOGNIZED AUTHORITIES ON PHYSICAL VALUES

**1128 Wilson Avenue, Chicago**

**120 Broadway, New York City**

Cincinnati

Cleveland  
Minneapolis

Detroit  
Memphis

Indianapolis  
Buffalo

St. Louis  
Des Moines

Milwaukee  
Kansas City

Pittsburgh



*The full confidence of the insurance fraternity is well worth every endeavor to deserve*

# QUEEN

Insurance Co.  
of America

**T**O The National Underwriter, in recognition of twenty-five years of faithful service, The Queen Insurance Company of America offers heartiest congratulations and wishes for continued success.

During its quarter century of activity, The National Underwriter has become a factor of great importance to every phase of insurance practice; its development and influence, a monument to the efforts of those men who have so diligently worked for its betterment.

## Queen Insurance Company of America

*Western Department*  
**W. E. McCULLOUGH**  
Chicago, Ill.

*Pacific Coast Department*  
**ROLLA V. WATT**  
San Francisco, Cal.

*Southern Department*  
**S. Y. TUPPER**  
Atlanta, Ga.

*Marine Department*  
**JOHN E. HOFFMAN**  
New York





**"Cooperation Headquarters"**

Home Office Building of the Peoria Life. Owned by the Company, without lien or incumbrance of any kind. Built from its current receipts, without disturbing the farm mortgage investments which have earned the Peoria Life its reputation for:

**"Policies Strong as Farm Mortgages Can Make Them!"**



O our good friends of The National Underwriter, we offer our heartiest congratulations and good wishes, on the completion of 25 years of active service to the business of insurance.

Your growth and progress are especially pleasing to us because they demonstrate again one of our own favorite principles.

We believe that the first thought of any institution—whether it be a publication like yours, or a life insurance company like ours—must be for the needs of those whom it serves.

Its success will depend on how completely and practically those needs are satisfied. The fine development of the Underwriter is proof of its usefulness.

**Peoria Life Insurance Company**  
PEORIA, ILLINOIS

## ***An Unclouded Future Assured By A Good Record***

The present day status of an insurance company is a good indication of its past performance. The financial standing, reputation and confidence among agents and policyholders alike are all built upon past performance. A company that has performed its duties in the past in a satisfactory manner will have a present reputation and stability well worth considering.

The Central Life began business fifteen years ago, and by strictest application to duty has emerged to its present position in the life insurance world.

**Central Life Insurance Company**  
Ottawa, Ill.





Quarter of a Century ago, when The National Underwriter idea was born, casualty risks were mere incidents in the business of insurance agencies. There were practically no automobiles; no compensation; industrial undertakings were modest; skyscrapers were few; no wireless; no submarine.

In fact, we have practically rebuilt the United States, and recast our whole scheme of operation, in twenty-five years.

Casualty Insurance is a husky youngster, having grown, with events, to be an indispensable element in the plan. His modest, but effective brother, Casualty Reinsurance, is younger, but quite as husky and quite as indispensable, because without Reinsurance, insurance would be unsafe; or otherwise, if safe, insufficient because necessarily limited.

Our Reinsurance Treaties are used by scores of companies as an adjunct to safe growth and complete service. We invite your inquiry, believing we have what you need.

## Employers Indemnity Corporation

E. G. Trimble, President  
KANSAS CITY

CHICAGO  
Insurance Exchange

NEW YORK  
35 Nassau St.

## Have You Noticed Those Advertisements?

The Reserve Loan Life Insurance Company, Indianapolis, Ind., has attracted the attention of the insurance fraternity by its timely, forceful and graphic cartoons that have been worked out to illustrate some phase of life insurance or agency work. These cartoons have been used by hundreds of agents throughout the country that are not identified with the Reserve Loan Life.

The cartoon advertisements have been designed to tell the story that anyone can understand.

In its dealings with its policy holders the Reserve Loan Life

has followed a similar policy. It has sought to learn the needs of the people. It has drafted its contracts accordingly.

It is interesting to chronicle the fact that the Reserve Loan Life this year is celebrating its Twenty-fifth Anniversary. During the 25 years of its existence the company has been able to accomplish something worth while. The next 25 years will see a greater growth.

The Reserve Loan Life has not been ambitious to go beyond its depth. It has made steady progress and builded with permanent material.





## The Backbone of Insurance

To the many medium producers of insurance who are daily making an earnest solicitation of all lines of insurance, great credit is due. They are, in truth, the bone and sinew of the business of insurance. Through their efforts, collectively, the billions of dollars of property in our country are protected. Their unfaltering loyalty to the cause of insurance is commendable. Each day finds them more eager to master difficult problems and turn prospects into policyholders. Theirs is the task of producing the greater part of the insurance premiums and they

rally to their duty with an energy and determination that cannot be denied. Their success is assured. From this great, loyal army of local agents rise the large brokers and general agents. For the most part, they represent good insurance companies and they are prompt to step into any breach and handle any situation to the satisfaction of themselves and their companies.

To this great army, producing the bulk of the insurance business of our country today, all credit and help is due.

## SPRINGFIELD Fire & Marine Insurance Co.

CHARTERED 1849

*of Springfield, Massachusetts*

HOME OFFICE: SPRINGFIELD, MASS.

A. W. DAMON, President

WESTERN DEPARTMENT: CHICAGO

HARDING & LININGER, Managers

CASH CAPITAL, \$2,500,000.00

**I**N the States of Illinois, Indiana, Georgia, Kansas, Michigan, Missouri and Oklahoma we have attractive agency opportunities for men who are experienced in or who would like to enter the life insurance business.

Large numbers of men who have started with us on a part-time basis have as the result of our special instruction and assistance developed a very substantial business and satisfying renewals.

In addition to paying a fair and substantial first-year commission, the opportunity is given of establishing life-time renewals. We offer a large and comprehensive line of non-participating policies, with disability benefits and double indemnity in the event of accidental death.

If you are interested in what we have to offer, address

## **ILLINOIS LIFE INSURANCE CO.**

**CHICAGO**

**JAMES W. STEVENS, President**

*Greatest Illinois Company*

**1212 Lake Shore Drive**





## **NORWICH UNION FIRE INSURANCE SOCIETY, LTD.**

75 Maiden Lane, New York

HART DARLINGTON, Manager

J. F. VAN RIPER, Branch Sec'y

## **NORWICH UNION INDEMNITY COMPANY**

75 Maiden Lane, New York

W. G. FALCONER, President

J. G. MAYS, Secretary

Fire, Tornado, Automobile, Sprinkler Leakage, Explosion, Rent, Use and Occupancy, Tourist Baggage, Riot and Civil Commotion, Liability, Burglary, Workman's Compensation, Accident and Health, Golfers, Plate Glass.

*The Agent Who Seeks to Give Good Service,  
Must Himself be Well Served*

# **COMPANIES**



## The Opportunity of An Anniversary

To The National Underwriter, upon the completion of 25 years of genuine help to the business of insurance we offer our heartiest congratulations, and good wishes for an even greater degree of usefulness and assistance to the insurance fraternity.

The occasion of an Anniversary creates the opportunity to survey the accomplishments of the past. The basis of future development is largely gauged by past performance. If past performance is richly endowed with those qualities that are essential to correct underwriting, then future progress is assured. Age creates a degree of dependability that is never questioned.

*Established 1837.*

*Westchester Fire Insurance Co.*  
*of New York*





O. C. L. BUILDING

## Our Agents Have

### A Wider Field— An Increased Opportunity

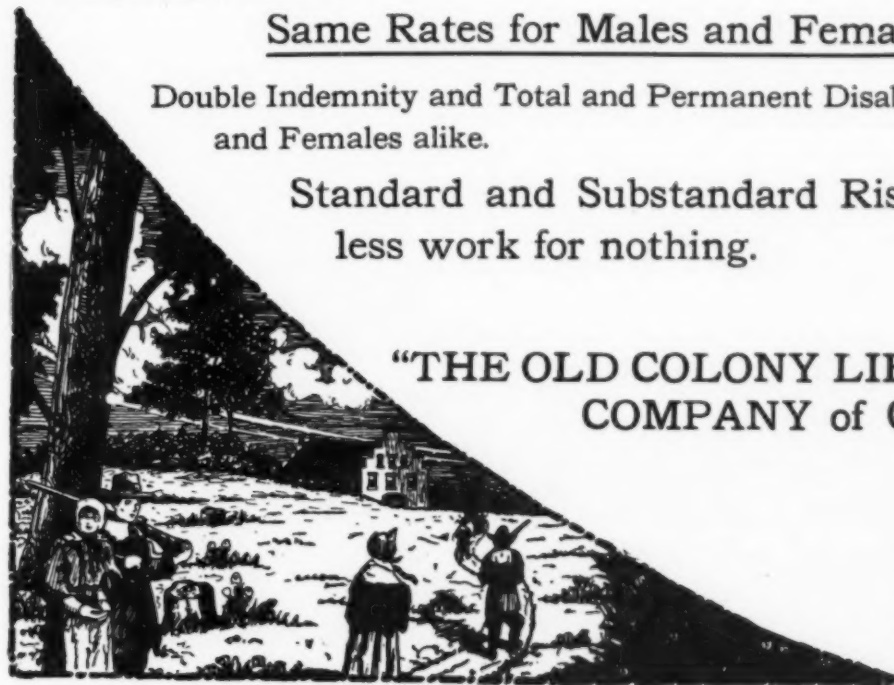
Because we have Age Limits from 2 to 60. Policies for substantial amounts (up to \$3,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i. e. Annual, Semi-annual or quarterly premium plan. Participating and Non-Participating Policies.

### Same Rates for Males and Females

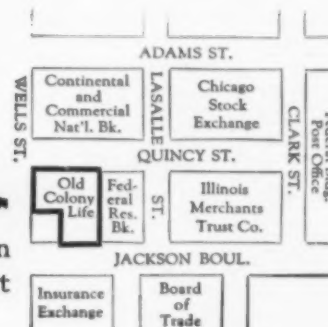
Double Indemnity and Total and Permanent Disability features for Males and Females alike.

Standard and Substandard Risk Contracts, i. e. less work for nothing.

**"THE OLD COLONY LIFE INSURANCE  
COMPANY of CHICAGO, ILL."**



The Company has its Home Office in its own building at 166 W. Jackson Blvd. running through to Quincy and Wells Streets, right in the heart of Chicago's Financial district.



# Standard Life Insurance Company

Salesmen who are having experience with the Standard know what it means to have

**Standard Service**  
**Standard Policies**  
**Standard Treatment**

Beneficiaries of Policyholders have experienced treatment unexcelled for promptness and liberality. Salesmen with or without experience have an opportunity greater now than probably will be in the future to get connection with this rapidly growing institution.

Anyone interested in Life Insurance and in one of the highest classing of life work giving the greatest service and reaping the best reward, should first communicate with the Standard Life Insurance Company, Executive Offices, 716 Locust St., St. Louis, Missouri.

**J. R. Paisley, *President***



# ACHIEVEMENT

The desire for accomplishment is ever present. Its fulfillment encourages greater effort, creates newer fields for service, strengthens institutions, and increases their resources for greater service.

When an Agent has behind him the certainty of dependable service, and an institution of strong resources and of national reputation, he has with him the power that will constructively influence his business, dignify his position and aid his effort to expend that business.

**PHOENIX**  
ASSURANCE COMPANY, LIMITED.  
of LONDON  
**PHOENIX**  
INDEMNITY COMPANY

## 1822 One Hundredth Anniversary 1922

### *Anniversaries Are Opportunities*

Anniversaries give opportunity to pause and survey the accomplishments of the past. Just one hundred years ago the North River Insurance Company was founded. During these years the North River has experienced many trying periods. During conflagrations, financial panics, wars, and disasters of all types, the North River has successfully passed, emerging each time a stronger and better company, well able to face future conditions with increased confidence.

The record of the past one hundred years is a guarantee of the future performance of the North River.

## **The North River Insurance Company**

110 William Street, New York City





**Massachusetts Mutual  
Life Insurance Company**  
of Springfield, Massachusetts  
Incorporated in 1851

## Sixty Years in Business

Largest Fiduciary Institution in New England.

Named JOHN HANCOCK in honor of the first governor of Massachusetts, and first signer of the Declaration of Independence.

JOHN HANCOCK made the Signature famous.

*Your Signature* on the application for an Endowment or Income for Life Policy is your Declaration of Independence.

Policies made secure by reserves maintained on the highest standard with additional contingent reserves providing protection against all emergencies. Total Assets, \$239,693,000; Policyholders Reserves and all other Liabilities, \$226,361,000; Contingent Reserves, \$13,332,000.

Policy Contracts include all equities and options.

Business done through agents. Information and advice on all matters relating to life insurance are available at any time through the Agencies or Home Office of this Company.

### Declaration of Independence

A FACSIMILE copy of the Declaration of Independence has been issued by the John Hancock Mutual Life Insurance Company.

This reproduction is a composite reduced facsimile one-quarter size, taken from a facsimile reproduction of the original Declaration of Independence made by W. I. Stone, in 1823, under the direction of John Quincy Adams, then Secretary of State. The original engrossed Declaration is in the custody of the Librarian of Congress at Washington. The John Hancock Company will be glad to send on application a copy of the Declaration for framing to schools, libraries, banks, business offices and homes.

*John Hancock*  
MUTUAL  
LIFE INSURANCE COMPANY  
OF BOSTON, MASSACHUSETTS



## 100% PROTECTION

Complete protection for your car and accessories. Liability, property damage, collision, fire and theft combined in one clean, clear, comprehensive policy—"no jokers."

No Company pays claims more promptly or with greater satisfaction to policyholders and agents. Our reputation for liberal settlements is well established. In the principal cities of the States in which we operate, we have special claim service offices for immediate attention to all losses. These offices issue their own drafts to facilitate prompt cash settlements.

In all other Cities and centers in the United States and Canada we have made arrangements with competent adjusters who handle claims with the same promptness and efficiency.

Correspondence invited with responsible active agents in Illinois, Indiana, Michigan, Minnesota, Missouri, Ohio and Iowa (fire and theft not written in Iowa).

# Michigan Automobile Insurance Company

Grand Rapids, Michigan

*Surplus to Policyholders \$329,619.03*



# New England Mutual Life Insurance Company

BOSTON, MASSACHUSETTS

---

New Insurance Paid-for, 1921 . . .	\$82,072,020
Gain in Insurance-in-Force . . .	48,641,846
Total Insurance-in-Force . . .	609,415,082

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*New England Agents Write Persistent Business*

**TWENTY-FIFTH ANNIVERSARY**

**1897**  
CAPITAL  
**\$400,000.00**

**1922**  
CAPITAL  
**\$1,000,000.00**

# **AMERICAN ALLIANCE**

## **INSURANCE COMPANY**

### **NEW YORK**

**Cash Capital One Million Dollars**

Company owns United States Liberty Loan Bonds in amount nearly equal to one and one-half times its capital.

**POLICIES ISSUED TO COVER**

Fire	Profits	War Risk	Registered Mail
Lightning	Commission	Hulls	Mail Package
Tornado	Automobiles	Cargoes	Tourist Baggage
Wind Storm	Motorcycles	Inland Marine	Sprinkler Leakage
Hail	Leasehold	Inland Transportation	Use and Occupancy
Explosion	Marine	Floater	Riot and Civil Com- motion
Rents			

**WESTERN DEPARTMENT**

76 WEST MONROE ST.

**CHICAGO**

**WILLIAM L. LERCH, Manager**

**GEORGE B. SEDGWICK, Ass't Manager**

**WALTER H. SAGE, General Manager**

**EDMUND O. BASSE, 2nd Ass't Manager**

# STRENGTH—SERVICE—SUPPORT

**Strength**—*The Company's Statement Tells the Story*  
**Service**—*Policies Issued Promptly—Immediate Settlements*  
**Support**—*Specialists in all Departments to Assist You*

*No Proposition Too Large or Too Small*

**We Have Openings NOW for Producing and Hustling Agents Everywhere**

JANUARY 1, 1922

## Assets

Bond and Mortgages - - - - -	\$ 307,300.00
United States Liberty Bonds - - - - -	6,559,500.00
Government, City Railroad and Other Bonds and Stocks - - - - -	29,585,360.20
Cash in Banks and Office - - - - -	2,044,131.33
Premiums in Course of Collection - - - - -	7,752,610.87
Interest Accrued - - - - -	351,423.57
Due on account of Reinsurance Loss Account - - - - -	52,247.40
	<u>\$46,652,573.38</u>

## Liabilities

Capital - - - - -	\$ 700,000.00
Surplus - - - - -	12,939,689.34
Reinsurance Reserve - - - - -	17,887,912.10
Losses in Course of Adjustment - - - - -	6,447,596.00
Commissions and Other Items - - - - -	5,217,375.94
Reserve for Taxes and Depreciation - - - - -	3,460,000.00
	<u>\$46,652,573.38</u>

**Surplus to Policyholders, \$13,639,689.34**

WRITE TODAY

# GLOBE & RUTGERS FIRE INSURANCE CO.

59 JOHN STREET, NEW YORK

# STRENGTH—SERVICE—SUPPORT





THE TWO REPUBLICS LIFE BUILDING

## *Every Man Has An Insurability*

Get in touch with our facilities for handling special hazards and risks heretofore on your prohibited lists.

Of such classes we make a specialty. We do not accept speculative risks or bad moral hazards—otherwise we offer some kind of a policy at some price on all male applicants.

We aim to salvage lost motion and wasted energy for our agency force.

## **Two Republics Life Insurance Company**

**El Paso, Texas**

**A. H. Rodes, President**

**Integrity      Character      Stability**

**The London & Lancashire Ins. Co., Ltd.  
of London**

**Orient Insurance Company of Hartford**

**Safeguard Insurance Company of New York**

**Law, Union & Rock Insurance Co., Ltd.  
of England**

**English-American Underwriters Agency**

The three cardinal virtues of insurance practice in home office and field force alike, integrity—character—stability, are all three, inherent factors in the organization and success of these reputable insurance institutions.

**Charles E. Dox, Manager**

**Western Department  
39 South La Salle Street  
Chicago, Illinois**



*"It ain't the individual, nor the army as a whole,  
But the everlastin' teamwork of every bloomin' soul."*

TEAMWORK is the spirit of the Union Central Life Insurance Company. Each individual agent knows that the Company is back of him, ready to encourage and urge him onward in his work.

Indications of Company progress during the past year are the establishment of a Service Bureau—the adoption of new policy contracts, increased cash values, and an increase in the interest rate to 5% on policy proceeds and on dividends left on deposit.

Such progress gives two in one satisfaction—satisfaction to policy-holders—satisfaction to agents.

You SERVE the Public

You SERVE Yourself

If You SERVE

The Union Central Life Insurance Company

Cincinnati, Ohio



# Anniversaries

**WE CONGRATULATE** The National Underwriter upon this anniversary—upon all their years of splendid endeavor. To-morrow may be the anniversary of one of our departments!—in the Far East!—in Africa!—in the South Sea Islands!—or nearer at home!

Anniversaries are wonderful! They give an opportunity to look back over things accomplished and they make for greater achievements in the future.

When a business organization has served the world as long and as honestly as the Commercial Union and its allied companies, the good name becomes known everywhere and therefore one of its chief assets. Wherever you go on your travels you will find the Commercial Union agent and the agents of the allied companies, always a representative of the highest type and a citizen working for the good of the community.

It is a fine tribute to represent companies that are protecting property all over the world!—making themselves a part of the highest ideals of every community!

We are proud of our Anniversaries!

---

## Commercial Union Assurance Co. *Limited*

Palatine Insurance Co., Ltd.  
California Insurance Co.

Union Assurance Society, Ltd.  
Hand in Hand Underwriters  
Commercial Union Fire Insurance Co. of N. Y.

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*New York*

*Chicago*

*Atlanta*

*Denver*

*Dallas*

*San Francisco*

## *Anniversary Editions*

have a peculiar value in the publication field because they afford an opportunity of taking inventory of the accomplishments of the past, and of judging therefrom the progress which may be expected in the future.

The Franklin Life Insurance Company, of Springfield, Ill., will soon celebrate its 40th anniversary; and the record of Franklin accomplishments in the past carries an inspiration for the promising years to come.

This Company has never sought to force its growth, but has builded solidly from the start. With careful conservatism it has erected a business which is sound through and through. There is no inferior material in foundation or superstructure.

Thoroughly seasoned by experience, and intensely interested in the future of life insurance, The Franklin is progressively marching ahead. On December 31st last, this Company had more than \$130,000,000.00 of insurance in force. Its assets amounted to \$13,263,529.36, and its legal reserve to \$11,689,468.00.

Justly proud of its past, confident for its future, and maintaining its fine stability at all times, The Franklin enjoys the highest esteem and respect of its associates. Its growth has acquired a momentum which will carry it far in the years to come. And strict conservatism in the management of its funds, together with exceptional aggressiveness in the field, have secured in the past and promise for the future business of the most excellent quality.

# Franklin Life Insurance Co.

Springfield, Illinois

## *Our Sixty-Ninth Anniversary*



**J**UST sixty-nine years ago American Central was an idea. The idea was correct and the thought and care that went into the organization and upbuilding of the company are evidenced in its present size. With total assets well over the seven million mark, and a surplus to policyholders above two million dollars, the security and financial strength of the company is undoubted. With every energy bent toward making a better company issuing a better class of insurance, American Central receives the thoughtful consideration of every insurance agent interested in providing the highest type of insurance service.

### **American Central Insurance Company** IN SAINT LOUIS

B. G. CHAPMAN, JR., President

D. E. MONROE, Vice-President

HAROLD M. HESS, Secretary



# THE GIANT'S STRENGTH

*"O, it is excellent to have a giant's strength,  
but it is tyrannous to use it like a giant."*

The discoveries and inventions of the past one hundred years have made greater changes in the living and working conditions of men than all that was done in the preceding four thousand years. The production, manufacture, transportation and distribution of articles of need and of luxury have passed largely from the hands of individuals into the hands of large groups of men. It has come to be true in a material sense, as Paul said it was in a spiritual sense, "None of us liveth to himself, and no man dieth to himself." The primary causes of these changes are new machinery and new discoveries in electrical and chemical science. We are unlocking the storehouses of cosmic energy and harnessing it in the service of the race. The danger is that our moral progress will not keep pace with our materialistic progress, and that we are introducing into civilization forces that may tear it to pieces.

This is the substance of a very thoughtful and instructive discussion by Raymond B. Fosdick and Frederick Boyd Stevenson in the Brooklyn *Eagle* of June 25th.

The "governor" of a steam engine is an attachment that acts automatically to regulate the speed of the engine by choking or increasing the supply of steam. Many of our machines would tear themselves to pieces if allowed to run as fast as they can be made to run. In addition to high power machinery for constructive purposes we are developing destructive agents of such power that

they literally shake the earth. While we may put automatic curbs and governors upon machinery and upon pent-up materialistic forces, we cannot curb with precision and certainty the intellectual forces that control materialistic forces. Our only hope is to urge with ever increasing persistency the supremacy of moral considerations. Force must not be allowed to run amuck in our civilization.

There is just one great business in the world that is founded upon the *dangers* which beset us—which takes scientific account of them, seeks to hedge them about and limit them, and when they cause loss—to make good the loss—so far as may be. *That business is Insurance.*

Modern machinery and business methods, while they increase the comforts and the luxuries of the race, also increase certain hazards to life, fortune and home, and these hazards *can only be provided against by Life Insurance.* More completely than any other great business Life Insurance is founded upon moral considerations. It helps a man to do his duty—the highest and most sacred duty he knows anything about. In the dangers it has insured against it has kept pace with the increased hazards of modern civilization. It is one of the forces that hold together and keep intact the moral values which are in danger of being torn to pieces by purely materialistic forces. It is the giant's strength used in the defense and service of the home

## NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President

1854

1922

## Loyal to Friends and Loyal Agents

After 68 years of underwriting practice, a reputation for strength is indeed a worthy accomplishment. It is an unassailable indication of the true value of correct underwriting practice.

### Firemen's Insurance Company of Newark, N. J.

D. H. DUNHAM, Pres.  
NEAL BASSETT, Vice-Pres.

JOHN KAY, Vice-Pres. and Treas.  
A. H. HASSINGER, Secretary

### The Mechanics Insurance Company of Philadelphia, Pa.

D. H. DUNHAM, Pres.  
NEAL BASSETT, Vice-Pres.

JOHN KAY, Vice-Pres. and Treas.  
A. H. HASSINGER, Asst. Secy.  
JOHN A. SNYDER, Secy.

### The Girard F. & M. Insurance Co. of Philadelphia, Pa.

H. M. GRATZ, Pres.  
D. H. DUNHAM, Vice-Pres.

NEAL BASSETT, Vice-Pres.  
JOHN KAY, Treasurer  
A. H. HASSINGER, Asst. Secy.

# CARNEGIE

## on the Ouija Board

**I**F WE COULD REACH the late Andrew Carnegie by Ouija and get an interview on the subject "Back to Earth in the Life Insurance Business," we would expect the following, because, mark you, Carnegie was a Scot, and a good business man:—

1st—If an agent, I'd want to become a General Agent.

2nd—I'd want a Company old enough and big enough to insure stability and strength, and yet not so old that it would be AGED, nor so large that my joining the organization would be like a raindrop falling into the sea.

3rd—I'd want attractive goods—policies that would be a help, not a hindrance to a sale.

4th—I'd want a liberal, permanent contract—one which would KEEP me, not merely GET me. I'd want to see how I could make a living now and save for the future, too. A man can't live on promises. I'd want some of MINE now—the "future" is only today come tomorrow, so if I could not make money today, I would not be likely to make it tomorrow. Therefore, I'd want a contract which would pay me well for my personal business and compensate me for my agency organization work, as I did it, rather than five years from now "after the business is built up."

As I look down on you, it strikes me that one of the biggest things on your little sphere is the National Life of the U. S. A. I, therefore, suggest that you write to either Robert D. Lay, Vice-President and Secretary, or Walter E. Webb, Superintendent of Agents, 29 S. La Salle St., Chicago, Illinois, and tell them you would like to know of their proposition, which will enable you to accomplish what I have outlined above.

Do It Now.

## National Life Insurance Company of the United States of America

ALBERT M. JOHNSON, President

*Chicago's Oldest and Strongest Company*

*Established 1868*

NEARLY \$140,000,000 INSURANCE IN FORCE



**T**WENTY-FIVE YEARS OF successful accomplishment in any undertaking is noteworthy. In the case of a public journal, it is especially interesting. All accomplishment is the result of individual effort. The history of any business is the essence of the biographies of those who have worked in its behalf. The National Underwriter of today merely mirrors the genius of those men who have been connected with it in its upbuilding. The Northwestern Mutual Life Insurance Company, of Milwaukee, Wisconsin, is just exactly what the sturdy characters who have been connected with it since 1858 have made of it.

The Northwestern Mutual Life Insurance Company has pleasure in joining with its fellow companies in attesting appreciation of what The National Underwriter, in its twenty-five years of able and dependable service, has done for the institution of life insurance.

A strong institutional press is a splendid adjunct to the business and it is a genuine pleasure to pay tribute to so able a representative of the "fourth estate" as The National Underwriter.

The accomplishments of a public journal can only be expressed in words. They are more of an influence than a substance. The accomplishments of a great company may be expressed in figures.

The following graphic exhibit shows the status of certain features of the busi-

ness of The Northwestern Mutual Life Insurance Company on January 1, 1897 and on January 1, 1922:

### Twenty-Five Years Ago and Its Anniversary

January 1, 1897      January 1, 1922

Number of Policies in force in the Northwestern.....	\$ 165,415	\$ 759,603
Number of Policies written in year prior to.....	22,352	64,634
Amount of Insurance written in year prior to.....	50,395,155	259,758,867
Total Insurance in force on.....	384,167,829	2,350,450,298
Death Losses paid in year prior to.....	3,256,660	26,185,061
Total paid to policyholders in year prior to.....	6,320,047	53,910,367
Total Income during year prior to.....	18,575,435	103,520,411
Reserves required by law to be held on policies.....	72,534,179	442,640,042
Assets.....	92,633,604	507,085,694

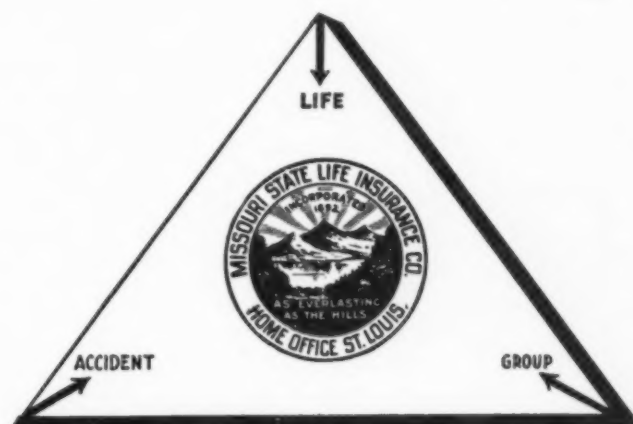
Just about twenty-five years ago, the Insurance Commissioners of Wisconsin, Massachusetts, Illinois, South Dakota and Nebraska, after due examination reported: "The Company's treatment of policyholders is eminently fair \* \* \* \* The Commission has found little to criticize and much to commend. It is a pleasure to congratulate the policyholders of The Northwestern Mutual Life Insurance Company upon having their interests guarded by so efficient a board of officers, and the highest compliment that can be paid is, that this examination has demonstrated that the Company in its dealings with its policyholders and beneficiaries and in its financial management has lived up to that high standard of reliability which has gained for it the confidence of the people and made its grand success possible."

Many official utterances to the same import have been issued since that time.

**THE NORTHWESTERN MUTUAL**  
**LIFE**  **INSURANCE**  
**Milwaukee** **COMPANY** **Wisconsin**

# THREE POINTS OF CONTACT

Treble Your Efficiency and Your Income



According to Webster, a triangle is "three lines intersecting." Applied to Life Insurance selling this rule spells efficiency and success because it assures conservation of energy in the solicitation of business.

The Agent who represents the Missouri State Life is equipped to offer Life, Accident and Group Protection, thus working with utmost efficiency. He has the "goods" to meet the needs of every client.

He is known in his territory as a successful Life Insurance man. This reputation is strengthened and enhanced through the multiplied opportunities for claim service as disclosed in connection with claims under Accident and Group Insurance. This greater service which he renders and its attendant publicity makes a Missouri State Life Agent an outstanding figure in his community.

An Agency contract with the Missouri State Life means increased opportunities for success.

Our Expansion Program is rapidly developing. Attractive connections offered to big writers and brokers.

## MISSOURI STATE LIFE Insurance Company

M. E. Singleton, President

Home Office, St. Louis

**LIFE**

**ACCIDENT**

**HEALTH**

**GROUP**



## *Eighty-Six Years Ago*

The name and sign adopted by The Liverpool and London and Globe Insurance Company Limited are characteristic of the foresight of its founders to some day provide worldwide indemnity.

This year marks the eighty-sixth anniversary of the founding of the company. And even today, enriched by these many years of underwriting experience, the L & L & G adheres to the permanent and unquestionably safe underwriting standards so well defined by its early founders.

Each year has added to the prestige of this great company which has steadily grown to its present worldwide position.

**THE LIVERPOOL AND LONDON AND GLOBE**  
**Insurance Co. Limited**

**STAR**  
**INSURANCE COMPANY**  
**OF AMERICA**



# PUBLIC LIFE INSURANCE COMPANY

## *New Home Office Building*



*Now being erected on the Northwest corner of Sheldon Street and Washington Boulevard,  
to be completed and ready for occupancy October, 1922.*

**T**HE PUBLIC LIFE INSURANCE COMPANY has more stockholders than any other life insurance company.

It is incorporated and has license to operate under the Insurance Laws of the State of Illinois as an Old Line or Legal Reserve Life Insurance Company. Paid up capital \$500,000. Total assets over \$800,000.

This splendid building will be the HOME OFFICE for the thousands of stockholders and policy holders of our Company.

The fellowship that caused one of the big men of America to give this splendid testimony which was recently received from him by mail: "I went into your office the other day a stranger and I came away feeling that you were my friend. I have seen a good deal of life; but I do not know that I have ever had a more pleasant experience than that of meeting you—your kindness and courtesy and your deep interest in education—and especially in helping poor young men who are struggling for an education—all this touched my heart profoundly."

How could we meet strangers any other way when it has been our motto for many years to DO THE MOST GOOD FOR THE MOST PEOPLE.

We must have in the past lived up to that motto when we have drawn together over SIX THOUSAND STOCKHOLDERS from all walks of life. No color, political or religious lines are drawn. A Company for ALL THE PUBLIC, extending the right hand of good fellowship to all those who will take it in the same spirit it is given. This building will have the Welcome sign on it for all whosoever may enter—they will receive fair and square treatment and 100% service.

The location for the new Home Office is just right for the stockholders and policyholders. Two blocks from Sheldon street station of the Lake Street Elevated Road; one block from Randolph street car line; two blocks from Ashland Boulevard; one block from Madison street car line and the number of the building on Washington Boulevard is 1400 to 1406.

The present Home Office is located and has been for the past five years at

108 SOUTH LA SALLE STREET,  
CHICAGO, ILLINOIS.

P. S. About seven hundred stockholders have made one sale or more—it is an honest-to-goodness Life Insurance Company that is operated by the stockholders as its agents.

### **We Want Real Men**

with ability and resources to develop three or four counties, getting and handling sub-agents, in Ohio, Indiana, Illinois, Missouri or Iowa.

FARMERS NATIONAL LIFE INS. CO.  
F. N. L. Building, 3401 Michigan Ave.  
CHICAGO, ILLINOIS

Established 1899

# Meeker-Magner Co.

Insurance Exchange - Chicago, Illinois

Automobile

Personal Accident and Health

## *Pioneers in Casualty Insurance*

Workmen's Compensation

Fidelity, Surety and Contract Bonds

Property Owners' Liability

In the last 25 years no development has been more marked than that of Casualty Insurance. In all its stages we have occupied a prominent place.

We have written Automobile Insurance since automobiles were used.

We have written Compensation Insurance since Compensation began.

We have originated and developed various other forms of coverage.

The growth of our business from modest beginning to its present large proportions is undoubtedly the result of

Plate Glass

Burglary

Sports' Liability

Fire

*"SUPER-SERVICE"*

PHONES:  
Wabash 0462-3-4-5

AGENTS: General Accident  
National of Hartford  
Potomac Insurance Co.





## We Are Growing And Spreading Out

AS A CONSEQUENCE we need men—not the old time has-beens, but aggressive, wide awake, straight-forward, ambitious men.

WE INTEND GOING INTO new territory in the Middle West and North of the Ohio River.

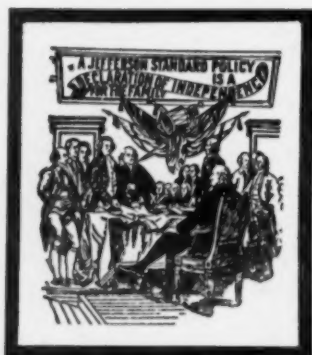
OUR AGENT'S CONTRACT is a *direct one*—with liberal first year commissions and renewals—no General Agents.

OUR POLICY CONTRACTS are both participating and non-participating, as modern and as liberal as we think can be designed, and will stand up under competition.

WE OPERATE UNDER THE BRANCH OFFICE SYSTEM.

WE MAKE NO ADVANCES and do not pay the largest commission, but experience has proven that you can make as much or more, money with us. This is because of our Home Office service and cooperation.

IF YOU ARE INTERESTED IN A CONNECTION, write



## Jefferson Standard Life

### Insurance Company

GREENSBORO

North Carolina

*Insurance in Force Over \$165,000,000.00*



## A. E. FORREST

1886—Age 21

When he organized  
the North American  
Accident.

Ambitious dreams of  
youth, properly pegged,  
persistently pursued,  
will invariably achieve.

## A. E. FORREST

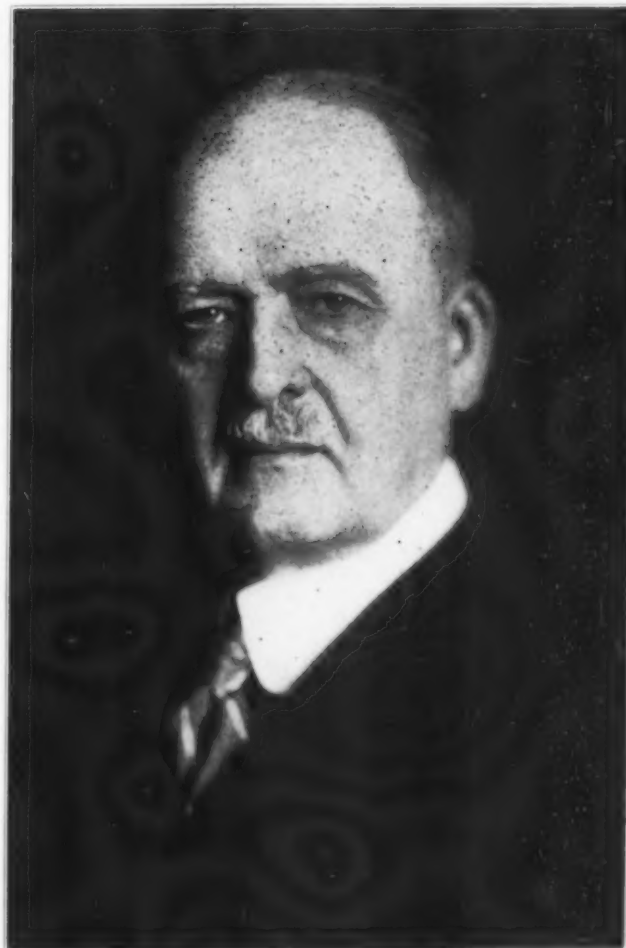
Today

Vice-President and Gen. Manager

Achievement is only the  
energizing of dreams  
consistently pursued,  
irrespective of obstacles.

**NORTH AMERICAN  
ACCIDENT INSUR-  
ANCE COMPANY  
CHICAGO, ILLINOIS**

The largest and oldest exclusive  
accident and health Insurance  
Company in the United States.





# NATIONAL LIFE INSURANCE COMPANY

Home Office: Montpelier, Vermont

*Nationally Known For Its Investment Strength*

**72nd Year**

**Purely Mutual**



# SECURITY LIFE

## Insurance Company of America

Rookery, Chicago  
O. W. JOHNSON, President

INSURANCE IN FORCE	- - -	\$40,000,000
Assets	- - - - -	4,442,069
Payments to Policyholders		
Since Organization	- - -	3,727,743

Our new Ordinary and 20-Pay Endowment at 85, contain privileges never before included in Ordinary and 20-Payment policies which make them the most desirable Ordinary and 20-Payment policies ever issued.

Openings *for* General Agents *and* Managers  
*in* Fifteen States

Address

S. W. GOSS  
Vice President and Manager of Agencies

## We Are Helping Many

**S**INCE the very first day of organization we have considered it a duty to give everything within our power to our agents and their policyholders. Realizing that agents, detached from the organization of the home office deserve the greatest assistance obtainable, we have spared no efforts in giving them tangible help in their insurance work.

This help is not limited to a certain number of agents. Every man in the field is given the same degree of home office help.

We have good opportunities for life insurance men and if you desire to become affiliated with our organization, you can be assured that nothing will be left undone in giving you all assistance possible in increasing your production.

Policies issued on risks ages 1 to 60 inclusive.

## Peoples Life Insurance Company

Frankfort, Ind.

# THE REGISTER LIFE INSURANCE COMPANY

*A 3% reserve Mutual Company of Davenport, Iowa*

**desires to establish general agencies in Nebraska,  
South Dakota, Minnesota, Wisconsin,  
Kansas and Illinois**

Following is what Alfred M. Best & Co., say about this company in Best's Reports for 1921.

"This company was incorporated under the laws of Iowa April 17th and commenced business April 22, 1889, under title 'Register Life and Annuity Insurance Company of Iowa.' At the meeting of the policyholders in January, 1914, the present title was adopted. **It is purely mutual.**

"It has had a consistently healthy, steady growth and made material gains in 1920.

"The company has an ample surplus; the assets are of the most stable character, not subject to fluctuation and yield a large return. Its actuarial methods are sound.

"The management expenses and the cost of new business are low. The mortality rate is very favorable, notwithstanding the extraordinary influenza epidemic loss in 1918. It pays excellent dividends, making the cost of insurance exceedingly low, the dividends payable in 1921 upon a scale that has been maintained since 1917. It is prompt in paying death claims.

"The company is well managed and has made a commendable and enviable record.

"It writes participating insurance on the annual dividend plan only. Besides the regular forms of contracts, it issues endowments at age 65; 10-year convertible term; monthly income on the ordinary and 20-payment life plan.

"Insurance on women written on the same basis of rates as men, except on term. Amount limited to \$5,000 Disability benefits granted."

If you are interested in a general agency for such a company as this, write to

**A. E. LITTIG, Secretary and Treasurer**  
Register Life Insurance Company  
DAVENPORT, IOWA



## In Tune

When you want to know everything about a man, go to his home town and ask the "home folks" about him. They know him.

It's the same way with an Insurance Company.

The "home folks," and that includes its family of Agents wherever located, are the ones best qualified to tell what kind of a Company it really is.

The cordial good will that always has existed between the American National and its Agents has been the dominant force in making it a leading Company.

Working *with* rather than *for* the Company, American National Agents have interpreted American National ideals for integrity and Service to policy-holders in such a way as to naturally build up good will for themselves as well as their Company.

Ability and willingness to render impressive service year in and year out, in good times and in bad, is the real test of Company co-operation and the American National has stood the test. It has kept in tune with the interests of its policy-holders and Field men.

*Operates in Twenty States and the Republic of Cuba.  
Splendid Opportunity in Many States, particularly Illinois*

(December 31st, 1921)  
Life Insurance in Force  
\$157,699,773.00

Assets  
\$11,672,936.92



(December 31st, 1921)  
Surplus to Policyholders  
\$1,813,895.00

Paid Policyholders and their  
Beneficiaries since organization.  
\$11,093,066.78

*Ordinary and Industrial*

# American National Insurance Company

Galveston, Texas

W. L. MOODY, JR.  
President

SHEARN MOODY  
Vice-President

W. J. SHAW  
Secretary

## The Cleveland Life Insurance Company

CHARACTER compels attention. Carefully guarded, it grows in power as years go by, bringing to the individual or the institution just and sure reward.

THE CLEVELAND LIFE is a company of character. Possessing neither the majesty of GREAT SIZE nor the charm of OLD AGE, its fixed position in the insurance world is one of distinction and dominant importance.

THE CLEVELAND LIFE is the proof of the young company notably successful and a verification of the value of ethical standards in the conduct of business. From the beginning THE CLEVELAND LIFE has felt the JOY OF LIVING and pride in creditable achievement. It has employed the vigor of its splendid youth in the cultivation of those virtues that could best ripen into usefulness as the servant of the insuring public.

For thirteen years, under unchanged management, this company

has pursued a fixed and predetermined policy. "THOU SHALT NOT" quite as emphatically states the mind of the management as does "WE WILL." A safe and sane course has been chosen that does not court the danger of over-expansion or pay the price of vain-glory in the attainment of the more or less artificial. "WE WILL" expresses the determination of the management to keep its house in perfect order, to so guide the destiny of THE CLEVELAND LIFE that the ideal in company achievement may each year be realized.

THE CLEVELAND LIFE will continue to grow and prosper. The wisdom of conservatism, of sound insurance reasoning and financial judgment, is the spirit of "The Men Behind" the Company, who seek for their Company no symbol of importance other than character and a good reputation, which they will jealously safeguard against impairment.

## The Cleveland Life Insurance Company

Wm. H. Hunt, President  
CLEVELAND, OHIO

"The Leading FIRE INSURANCE Co. of America"

1819 **ÆTNA** 1922  
HARTFORD, CONNECTICUT  
WM. B. CLARK, President

## More than a Century of Service

LOSSES PAID OVER

# \$210,000,000

### ÆTNA POLICIES COVER

Fire	Profits
Marine	Parcel Post
Automobile	Registered Mail
Tornado	Tourists' Baggage
Rent	Salesmen's Samples
Hail	Transit Floaters
Leasehold	Automobile Truck Transit
Rental Value	Explosion
Use and Occupancy	Riot and Civil Commotion
Sprinkler Leakage	

AGENTS AT ALL IMPORTANT POINTS



## Driving The Last Spike—

**W**HEN the construction work on the first railroad to cross the Rocky Mountains—the Central Pacific—was completed, this epoch marking event attracted the attention of the nation. The ceremony of driving the last spike was presided over by Leland Stanford of California, builder and first president of the railroad.

With the completion of this link which connected the Golden West with the cultured East the romantic stage coach and the Pony Express soon became memories of the past.

The construction presented many engineering problems and the expense in some parts of the mountains exceeded \$100,000 a mile. In addition great difficulty was experienced in financing the project on account of the Civil War which was being waged at that time.

The successful completion of this great undertaking is but one of three achievements of national importance with which Leland Stanford's name is still associated. The others are the Leland Stanford Jr. University and the Pacific Mutual Life Insurance Company which was founded by him in 1868. He was the company's first president and to him was issued policy No. 1.

The Pacific Mutual has grown and prospered during its fifty-four years of successful business experience and is now nationally known as the "Giant of the Pacific." It has led all companies in the development of a liberal Permanent Total Disability Benefit which is given to its policyholders without extra charge and its Multiple Protection Policy has become famous for the truth of its slogan "it pays 5 ways."

The sales of the Company's new Non-Cancellable Disability Income Policy demonstrate that American business and professional men appreciate protection for their incomes which cannot be cancelled. No other policy has ever secured as much favorable attention from the public and from the underwriters—especially life men—in so short a time.

The money value of a man's life depends on his income. This policy insures that income and pays it for life in event of disability. It is generally regarded as a form of protection which ranks in importance with life insurance and in many cases already has proven to be even of greater value to the insured and his family.

*For information regarding agency opportunities address*

**Danford M. Baker, Vice-President**

**The Pacific Mutual Life Insurance Co.  
of California**

**Los Angeles**

Arthur S. Nathan

L. A. Rose

**Arthur S. Nathan & Company**  
1925 Insurance Exchange  
Chicago

This agency was established in 1903 and has facilities for writing all classes of insurance, representing high class companies in all lines; being specially equipped to give brokers service second to none.

*Phones Wabash 2416-3788*

**T**HE time is auspicious for all engaged in insurance work, of whatever nature, to extend to The National Underwriter congratulations on this its twenty-fifth anniversary as an insurance publication of merit and marked influence. The Chicago National Life Insurance Company most heartily join the throng of admirers in doing so; and, in the language of old "Rip," may the officers of The National Underwriter, who have so ably and successfully directed its policy, live long and prosper. The Chicago National Life Insurance Company would be as successful and mean to try just as hard to attain success as did the officers of The National Underwriter.

Agents who may be contemplating a change, or any one else, will do well to acquaint themselves with our fair and square business dealings and methods before effecting an affiliation elsewhere. Write or telephone us. Phone Wabash 7109. We offer liberal commissions and sell up-to-date policies.

## Chicago National Life Insurance Co.

202 S. State St., 3rd Floor  
CHICAGO, ILLINOIS

Address: A. E. JOHNSON, Supt. of Agents



From  
The Ohio Underwriter  
First Year—No. 1  
Feb. 4, 1897

JAS. C. JOHNSON, PRESIDENT.

O. S. WELLS, SECRETARY.

# OHIO FARMERS INSURANCE COMPANY...

LE ROY, OHIO.



FIRE, LIGHTNING AND TORNADO INDEMNITY.

Carefully invested Assets on January 1st 1897 of \$1,042,487.51, reserved as follows for the protection of policy-holders:

Reserve for re-insurance, . . . . .	\$860,309.36
Reserve for Losses and all other Liabilities, . . . . .	72,000.00
Net Cash Surplus, . . . . .	110,178.15
Total, . . . . .	\$1,042,487.51

—ORGANIZED IN 1848.—

# OHIO FARMERS INSURANCE COMPANY

## LEROY OHIO.

F. H. HAWLEY  
President

N. R. CHALFANT  
Ass't Sec'y

W. E. HAINES  
Secretary

J. W. CROOKS  
Treasurer

Assets January 1, 1922 . . . . .	\$5,106,708.07
Reserve for Reinsurance . . . . .	3,552,919.55
Reserve for Losses and all other liabilities . . . . .	358,268.79
Net Cash Surplus . . . . .	1,195,519.73
Total . . . . .	\$5,106,708.08

# 25<sup>th</sup> Anniversary

# The National Underwriter

1897

1922

## A Quarter Century in Retrospect

By EDWARD JAY WOHLGEMUTH

Founder of The National Underwriter

THE past 25 years have seen important changes in insurance and a fundamental change in the business of insurance publishing. Our own organization has been credited with having done something to bring this latter change about, but I shall not attempt to trace these changes in detail and shall simply say here that they represent the substitution of the idea of organization for that of personal editorship and journalism; a change that has been accepted not alone in daily but in nearly all other fields of periodical publishing.

The practical problem is one of expense—to cover a field as great as the United States, both as to news gathering and business getting, for a business in which the volume is necessarily limited. To do this special organization and economy have been necessary, and particularly the grouping of publications, supplies, etc., in such a way that they could be handled with the fullest individuality of treatment and at the same time within the proper expense limitation.

LOOKING back 25 years, it seems to me that this period must have been the most important quarter-century of insurance history in all lines that we have yet had. As I consider the changes in the fire, life and casualty lines, changes that are fundamental and that have followed the curve of the nation's development, it seems to me that if a century of progress had spanned what has been done in this period we might feel that great things had been achieved. A quarter-century is but a short time and yet this span of years in the business life of the average man takes in the most of his accomplishments, as the rest is likely to be but preparation before and solidification and gathering up of the loose ends afterwards.

FROM the publishing viewpoint, 25 years ago, the life insurance field did not offer the opportunities that fire insurance did, which accounts for the fact that in the earlier years of the paper it was given up more largely to the fire than the life interests.

There were few life agencies of any consequence outside the big cities. The great country field was almost neglected except for a wandering special agent or an occasional local agent who eked out a meager subsistence by writing a life policy occasionally. On the other hand, 25 years ago the fire insurance business was at its zenith. The special agent and local agent were in their prime and the disintegrating influences which have

been at work since were not even on the horizon.

I never think of the group of men of whom C. H. Woodworth of Buffalo was the beloved leader in the early days of the National Association of Insurance Agents without feeling what a fine business it was and what a fine lot of men were engaged in it.

I remember well that first meeting in the Great Northern Hotel in Chicago, called by R. S. Brannen of Denver, at which the National Agency Association was organized.

I WAS then serving as assistant editor of the "Insurance Herald" of Louisville, edited by Young E. Allison. Mr.

Allison had sent me to Chicago on my first trip to a convention, to report the meeting of the Fire Underwriters' Association of the Northwest. I recall with what a feeling of elation I sallied forth. I was a full-fledged newspaper man and was to send in a report of the convention nightly by telegraph. It was a big thing in those days for an insurance newspaper to receive news by telegraph. I had explicit instructions from Mr. Allison to file my report each night at the telegraph office before 11 o'clock. However, the great pipe organ in the lobby of the Great Northern Hotel and the exhilaration of meeting with a lot of field men caused me to forget these instructions and I did not file my copy until after 12 o'clock. The night before about the same time I had mailed the report of the first day's proceedings. The result was that press day came and Mr. Allison was without a line of copy from me on the big convention, the event of the week. When I got back to Louisville I found that he had waited for me until the last moment and then in desperation had clipped a few paragraphs from the Chicago "Inter Ocean" which reached Louisville at noon—and that was the extent of the report in that week's issue of the Chicago convention.

ON my return trip I dropped off at Indianapolis and wrote another story about life insurance, which I secured there. This was concerning the peculiar plan of organization of a new life company, the State Life, which was issuing special \$5,000 policies in order to get started and gave a special contract, on a tontine plan of distribution, providing \$1 per thousand on all the insurance written by the company within the next ten years. This company had a small room in one of the office buildings and in two of the corners were the



EDWARD JAY WOHLGEMUTH  
Founder and President The National Underwriter



C. M. CARTWRIGHT  
Managing Editor The National Underwriter

desks of the promoters, W. S. Wynn and Samuel Quinn. Mr. Wynn told me that he and Mr. Quinn had tramped the streets of Indianapolis trying in vain to secure 200 policyholders necessary to qualify under the mutual law and were about to give up the plan when Mr. Quinn, who had been with the Northwestern Mutual in Massachusetts and had run into a similar scheme there, conceived the idea of making a special offer to the men who came in first to help start the company. This was the beginning of the famous special contract scheme, which later developed into the stock with agency plan and still later into the promotion of life insurance companies by the sale of stock through regular stock salesmen. In reality this was the germ from which grew the hundreds of life companies throughout the west and south.

**M**OST of the insurance movements which have since become prominent had their inception in the following decade. Up to that time the organization bug had not fastened its hold on the business. It is just possible that the wider circulation given by such papers as THE NATIONAL UNDERWRITER, those which were organized and built up as agency rather than home office or company papers, had much to do with the spread of these organization ideas. In those days practically everything emanated from the companies themselves and the agents had little part in the development of insurance except as followers.

The first really big local agency meeting was not one of the National Association, but of the Ohio Association of Insurance Agents at Columbus about 1898. About 1,000 insurance men were called together at this state meeting and this was the largest gathering of insurance men ever held up to that time, though only a state meeting. The Ohio association was for several years the largest and strongest association. Ohio was an ideal state from the insurance standpoint, except in the one minor matter of losses. It was very unprofitable and did not become the desirable field it now is until several years

after the state fire marshal law, first in any state, was enacted. While the great industrial development in Ohio had not yet taken place, there were many cities and towns of medium size and the state was easily traveled. The field men were of the highest grade and afterwards many of them occupied managerial positions. When THE OHIO UNDERWRITER was started in 1897 the field men promptly adopted it as their own and it was largely through their efforts and friendship that its first success was secured.

**T**HIS paper's early policy was to look to the field men as the basis of its development. The field men stood between the home office or department and the local agent, stimulating both, and bringing about to a larger extent than perhaps any other factor the insurance system as it now exists.

It was a pleasure to know the field men and insurance personnel in Ohio in the late '90s and both local agents and field men would rank high in any gathering of insurance men today. To walk along "Insurance Row" on Third street in Cincinnati on a Monday morning when all the field men were in was a pleasurable event. When the field cohorts gathered at the Victory Hotel at Put-in-Bay for their annual summer outing, accompanied by their wives and sweethearts, under the benign leadership of the grand old symposiarch, L. J. Bonar, the sap was in the bark and life ran to the full. Those were the good old days in Ohio, before underwriters' agencies, New York brokers, Lloyds and reciprocals, company fleets, foreign reinsurance and state insurance came to disturb the dreams of fire underwriters.

And yet there was even then one fly in the ointment and his name was C. B. Squire of Cleveland, who came down upon the peaceful scene like a wolf on the fold and threatened to gather up all the premiums for the Mutual Fire of New York, of Armstrong fame.

**T**HE readers of newspapers and periodicals are more a part of the make-up of the paper than they know.

It is not the \$3 or \$4 which a man spends for a year's subscription to a paper that counts. It is the far more valuable time that he puts in reading it. So that when a man takes a big paper like THE NATIONAL UNDERWRITER and reads it faithfully each week clear through he is complimenting it very greatly by giving it so much of his valuable time. Moreover, the newspaper belongs to its subscribers in the truest sense. It is conducted for them. Ninety-five percent of the effort and the money that goes into it is spent exclusively for them. The paper largely influences the lives of its readers and its readers almost wholly influence the paper itself.

THE NATIONAL UNDERWRITER was "democratic and national" in its views even when as THE OHIO UNDERWRITER it was devoted to a single state. It represented underwriting interests from that standpoint just as much 25 years ago as it does today. There are several thousand cities and towns in the United States in any one of which the insurance conditions are a fair cross section of those in the other cities and towns. Just a few weeks ago we issued state convention numbers for the fire and casualty local agents' associations of the two great states of New York and Texas in which the local problems of those states were discussed and reviewed. The number for Texas was just as interesting, barring the personal equation, to local agents in the state of New York as was the New York number to the local agents in Texas. The growth in 25 years of THE OHIO UNDERWRITER into THE NATIONAL UNDERWRITER has been simply the extension of this one-state idea to all the agents.

**O**HIO was an exceptionally good state in which to cut this cross-section 25 years ago through the underwriting fabric. Taking any one of the states as a basis or type, the other states could furnish in addition only variations and modifications. So that when we developed years ago a paper for the state of Ohio we were virtually developing one for insurance men of the nation. THE NATIONAL UNDERWRITER

recently in a single year gained more business than it had accumulated in 20 years previously. This shows that the early years of an enterprise though measured in figures that are small are the important ones. It took no more constructive effort to make the single large year's gain than was required in any one of the previous smaller years.

THE OHIO UNDERWRITER came into the field at an opportune time. There was a new movement abroad, of which the publishers themselves were not wholly conscious, but which was finding its way into all lines of business. The standardization of business methods was finding expression through the trade publications and services which today in most lines of business are an important part of the structure. It was the good fortune of THE NATIONAL UNDERWRITER to grasp this.

**I**DOUBT whether any paper started ever had the loyal support and cordial good will of the mass of its readers so thoroughly as did THE OHIO UNDERWRITER during its first few years. Looking back in the light of a quarter century of publishing experience, I cannot see how a newspaper enterprise could have been started with greater chances of success, although it was virtually without capital. A part-time bookkeeper and office man in the person of Harry M. Diggins, still with the company and a loyal and faithful collaborator, incurred the only office expense in addition to rent and incidentals. The "office" consisted of a single desk in the St. Paul building, for which the rental was \$5 a month. The youthful editor was also the business manager. He drew no salary at all, taking from the business only what was necessary. As the publication dates were arranged so that he could spend one-half his time on the road, even one-half of his living expense was traveling expense, chargeable to business getting and the "editorial department" in about equal proportions; for not only did the "business manager" while on the road solicit advertisements and subscriptions but he also wrote the most readable part of what went into the paper; whereas dur-

## THE STAFF OF THE NATIONAL UNDERWRITER



**JOHN F. WOHLGEMUTH**  
Secretary The National Underwriter



**HOWARD J. BURRIDGE**  
Senior Associate Editor The National Underwriter



**NORA VINCENT PAUL**  
Vice-President The National Underwriter

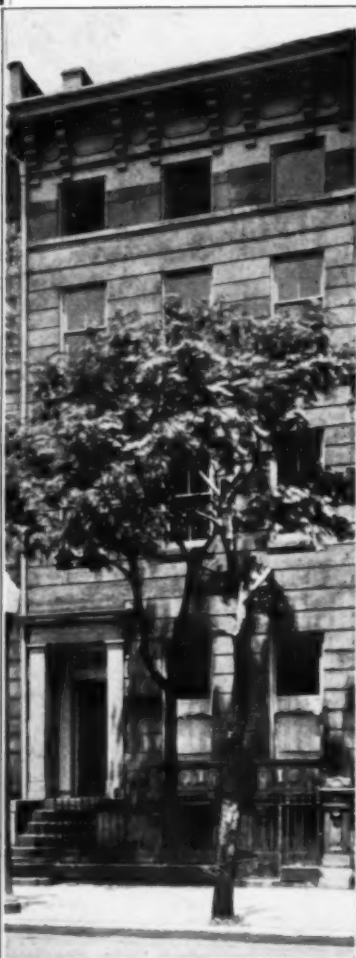


**H. E. WRIGHT**  
Vice-President The National Underwriter





Twenty-five years ago, there were three people employed by the old "Ohio Underwriter." It occupied a small office in the Aetna Building in Cincinnati. It was a very small proposition. The accompanying cut at the left, showing the staff of The National Underwriter's Cincinnati office, is typical of the growth of The National Underwriter as a whole in volume of business and number of employees. This group picture of the Cincinnati force was taken while it was on its annual outing. Everybody in the organization is interested in the work.



## Office Staffs of The National Underwriter Rough Notes Organization and Home Office Building

The National Underwriter has a large amount of compilation and statistical work in connection with its insurance directories, the charts, the Unique Manual Digest, the Little Gem chart and the Diamond Life Bulletin Service. It was found necessary to purchase a building that would adequately house employees and give an opportunity for their activity. The National Underwriter owns its own building at 420 East Fourth street, Cincinnati, shown at the left, which is given over entirely to publication work.

The picture below shows the office force in the Chicago office of The National Underwriter. The Chicago office started in a modest way in the old Bryan Block, where the Northern Trust Company's building now stands. Then it moved into larger quarters in the old Roanoke building, which was razed so that the modern Lumber Exchange building could be built. When the Insurance Exchange was built the Chicago office was moved to that great insurance structure.



A few years ago, The National Underwriter joined forces with Rough Notes of Indianapolis, the two publication houses now being affiliated. They work along separate lines. The Indianapolis office has a large publication and printing plant devoted to getting out books and insurance supplies of all kinds. In addition it issues Rough Notes, a monthly educational insurance journal, and the Insurance Salesman, devoted to life insurance salesmanship. The Indianapolis staff is shown at the right.



ing the week that was spent at the office "getting out the paper," business matters were also attended to.

**C**OMPARE this with the usual method of starting a publishing enterprise. Under the most favorable circumstances it takes years to build the news and editorial service, the circulation and advertising up to a point where the income equals a reasonable expense, and all this time ordinarily capital must be put in. In after years, in starting a small monthly paper, we expended \$20,000 before the paper went on a self-sustaining basis.

THE OHIO UNDERWRITER solicited virtually no advertisements the first six months of its existence, even in its home city of Cincinnati. Then one day the publisher went down on Third street and secured the advertisements of eight of the local companies in a single afternoon and these advertisements continued in the paper until the companies, all but one of them, which is still in business, retired from the field.

Ohio was a good state in which to start an insurance paper for the reason that there was at that time quite a large number of local, small but good companies whose advertisements the paper could hope to secure by the end of its first year, although it hardly dared even look to New York or Hartford or Philadelphia and ask for the advertising of the great companies. The paper was two years old before an advertising representative visited the eastern centers and it was two or three years old before many of the companies subscribed for it. It was forced to subsist on the field and this it was able to do during the try-out period only by reason of the low expense at which it was conducted.

**I**MIGHT say that the only time in 25 years when its existence was really in "danger" was about the close of its first year. At that time I received a call to come to Louisville from "Gus" Straus, then vice-president of the Courier-Journal Job Printing company and the controlling factor in the old "Insur-

ance Herald." The partner with a certain amount of working capital whom I had counted upon to come into the business had backed out. There was owing the printer some \$700 or \$800 for back issues. The post office department had required the deposit of 10 cents per pound on the papers that had gone out, 9 cents of which was to be returned when the privilege of second class mail matter was granted, and some \$200 was tied up in this accumulated postage. Just at this time came the Louisville call and Mr. Straus confided to me that Louis Geldert, who had been the business manager of the "Herald" at a salary of \$3,000 per year, would not renew his contract. "Come back," said Mr. Straus, "and we will give you Geldert's job. We will take over the subscribers and advertisers of THE OHIO UNDERWRITER and carry out your contracts." The offer was a tempting one, especially under the circumstances. But returning to Cincinnati it seemed almost the very next day that the tide turned. The postoffice notified me that second class privileges had been granted and that the accumulated return postage was at my disposal. An advertisement of considerable size, for those days, came in and the first quarterly payment became immediately available. A large order of extra copies of the current issue came in. These various small items partially lifted the burden and from that day to this THE NATIONAL UNDERWRITER has not had to borrow a dollar to carry on its business. At the end of the first two years the paper had paid all of its bills and had made a clear profit of \$2,400.

**L**EARNING that "Black & White" at Chicago, published by Col. J. H. Kellogg, had gotten into difficulties and was for sale, I approached Colonel Kellogg, with whom I had some negotiations before starting THE OHIO UNDERWRITER, and made him an offer for his paper, which he accepted. I paid him \$3,750 for the paper, giving him \$2,000 in cash and two notes of equal amount, which were easily met at their maturity.

Up to this time THE OHIO UNDERWRITER had been a one-man and a one-state paper. However, C. M. Cartwright, the editor of the daily insurance column in the Chicago "Inter-Ocean," had been a contributor to the "As Seen from Chicago" department from the first issue and there had been an understanding between us that as soon as the paper was big enough for two men he would join me in the enterprise. The addition of the "Black & White" business gave THE OHIO UNDERWRITER just what it needed, the advertising patronage of the larger companies. The circulation amounted to little, as there were only two or three hundred paid subscribers, most of these being among the companies, where Colonel Kellogg's strength mainly rested. There were some very good advertising contracts from companies whose advertising policy as regards the trade press was very conservative, in some cases reaching to the extent of not advertising in any paper no matter how good until it was at least 10 years old. There were some other small contracts for advertising in "Black & White" and a printing office which did considerable outside printing came with the plant. I went to Chicago and within a short time not only held virtually every advertisement of "Black & White" but increased quite a number of the contracts, due to the increased circulation of the combined papers.

With the acquisition of "Black & White" the change to a weekly, the opening of a Chicago office, but more than all these securing Mr. Cartwright for a partner in the enterprise, the early struggles of the paper for a foothold and position were over.

**B**Y reason of lack of space I shall not discuss many things which might be brought into this retrospect but there is one feature of THE NATIONAL UNDERWRITER's policy to which I shall allude and which I think is fundamental. To put it clearly and simply it is this: That where the interests of the insurance business and the public which it serves, after making every possible effort to

harmonize those interests, conflict, THE NATIONAL UNDERWRITER believes that the best interests in the insurance business are served by taking the stand of the public. It does not do this offensively, it remains loyal to its friends, but it recognizes that in the final analysis the insurance business can only be successful if it is conducted on the basis of the truest and best service of which it is capable to its clients and the public. THE NATIONAL UNDERWRITER will not attack the interest which it represents and by which it is supported. It is not necessarily aggressive at all times in pushing its views, but so far as it can, diplomatically and with a proper appreciation of its position as the representative of insurance, it will throw the weight of its influence towards a broadening of insurance service to the point where it can meet the public view. This, I take it, is a fundamental principle and the one which has kept THE NATIONAL UNDERWRITER from being a mere paid organ of special interests. Its policies are based on the broad foundation of good citizenship and the recognition that insurance as well as all other business exists primarily, not for the men who are engaged in it, but for the people whom they serve.

**"D**O YOU believe that if we give the very best service of which we are capable, get up the best paper and secure the largest possible circulation, we can command the patronage of the insurance companies and agents on that basis alone; or will it be necessary for us to recognize that the trade press and its opinions are in reality controlled by the insurance companies and that our advertising is not of sufficient value in itself to justify the companies in spending their money with us on that basis alone?" Some years ago Mr. Cartwright asked me that question and I replied that I believed insurance journalism could be conducted on an independent business basis, the same as a grocery store or a meat market.

If we could be able to answer that question in the affirmative, that THE NATIONAL UNDERWRITER organization has

## THE STAFF OF THE NATIONAL UNDERWRITER



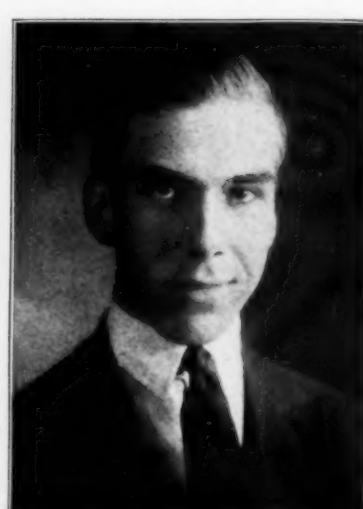
**FRANK A. POST**  
Associate Editor The National Underwriter and Editor Casualty Review



**R. W. LANDSTROM**  
Manager Advertising Service Department The National Underwriter



**CHESTER C. NASH, JR.**  
Editorial Representative The National Underwriter



**IVAN F. WALTER**  
Advertising Service and Make-up Department The National Underwriter



been bending its efforts, sparing neither its energy nor money to "make good" purely as a business proposition, and has succeeded, then it has achieved a real success. This I take it should be the ambition of every American business man, no matter in what line engaged; to run his business on a basis of service, seriously and honestly, and thus properly to perform the functions in the social and economic scheme to which he has been assigned. It is no easy matter to undertake and maintain such a program, especially for a trade publication; and yet that policy is the very life blood of any publication or periodical. It has been largely the inspiration that has given us the courage to go forward in the face sometimes of unusual difficulties.

**W**E MAY not have achieved our purpose wholly, but I believe throughout the life of the paper there has been no solicitation of business of any kind except on the basis of value legitimately received and given. I do not believe that any publishing business can long exist on a large scale unless this is the spirit which permeates its organization. Certainly in the insurance publishing business the independent, fearless and honest writers and thinkers are the men who have made the deepest impression and achieved the largest degree of respect and appreciation. In making the statement that THE NATIONAL UNDERWRITER is published primarily for the public which the insurance business serves and that where the interest of the two clashes we stand with the public, it is possible that I may be misunderstood and that in some quarters the statement may redound to the disadvantage of the paper, but I will let it stand nevertheless.

**I**F THE development of THE NATIONAL UNDERWRITER and its affiliated publications has any significance either in the field of insurance or of trade journalism and publishing in general it is that we have placed the insurance branch of trade journalism on a strictly business basis, representing first the policyholders and the public. The recognition of the fact that the insurance

business exists only because it serves is a fundamental one in the conduct of our publications and cannot be too strongly emphasized. In a nearer and more intimate relationship come the agent and the company and here I might say that the agent probably comes first, because any paper exists not by reason of its advertising but by its circulation and if it is constituted and conducted along business lines it must recognize these primary principles of publishing.

**I**T seems to me that a paper that is conducted primarily for the insurance companies as such, that are its advertisers, is not a sound publishing proposition and must to a certain extent consider itself subsidized. Our point of view is, first, that we serve the public

tent of that revenue. Consequently, the difference between the actual advertising value and the money received for advertising can be considered in no other light than as a subsidy, in payment for editorial support. It has been this view of insurance journalism that has kept the business from developing anywhere near its real possibilities. If we were the first to see this situation, we have also received the reward of the discovery in our greatly enlarged business.

**T**HERE are no doubt still companies which purchase advertising from us which feel that their patronage carries with it the idea of support. I do not believe that there are many companies

*A man engaged in insurance newspaper work is in an exceptional position to watch the trend of events in all lines of insurance. Being removed from the immediate competitive currents of the business, he is accustomed to survey the field as an interested yet friendly onlooker. As one reaches back to insurance even 25 years ago its activities seem small as compared with those of today. The one thing that impresses the newspaper man is the fact that those who have been engaged in the business and those still at the helm are men of superior character and business acumen. Fortunately insurance as a whole has had as its guiding stars, sincere and earnest people who were moved by more liberal instincts than mere business getting. They have builded well and permanently. Much credit is due to the pioneers of the business and those who took up their work and carried it on. While the master business builders are those that have been in control during the last few years, yet the men who blazed the way and who prepared the field should not be forgotten.*

through insurance channels; second, that we serve agents that constitute "our" subscribers and third that we serve the companies which are the purchasers of our advertising space. Being thus on a sound publishing and economic basis we have a right to feel and express a certain independence and individuality that goes with all successful and properly conducted business enterprises.

In earlier days, when a different conception of the functions of insurance publishing prevailed insurance papers were considered as an annex to the companies' organization. They received their principal revenue from the companies and it was not considered that they possessed advertising value to the ex-

which expect in return for this patronage our editorial support, but we still frequently receive business letters from companies with the suggestion that while we are probably doing more or less good to insurance in general, we ought to be patronized. We are willing to accept business on this basis if it is also clearly understood that we are giving full value in return for the advertising.

The fight which THE NATIONAL UNDERWRITER has made and its achievement, if any, as a business concern consists in the fact that we have placed this branch of trade journalism on a sound business basis.

We have in the past 25 years of operation spent a good part of our normal

profits in building circulation and thus extending our service; it is this circulation which we sell to our advertiser. Hence, when a company makes an advertising contract with us we are giving it full value and it is purely a business transaction. If, after receiving a circulation guaranteed and audited by the Audit Bureau of Circulations, it still wishes to suggest to us that it is "supporting" us for the "good of the business" we most generally object and suggest in return that this may be all very well when the advertising is placed with papers which do not have circulation but with us whatever good we may be doing for the business at large is a contribution of our own, and not of the companies which advertise with us and the pleasing part of all this is that the companies do see the value of advertising on the basis on which we offer it to them.

**I** COULDN'T close this retrospect without a personal word of appreciation of the singular good fortune which has attended me in the choice of my associates in building our various publications and services, and the ready response which they have always given to my calls I have made upon them, no matter how urgent or extensive. We are a peculiar organization in that our business is located in and managed from several different cities. There has been the same ready acceptance of responsibility, the same eagerness to cooperate and assist, and even a greater, than we would expect in a close-knit organization centered under a single roof. Whatever has been achieved must be ascribed to the high morale, the sturdy loyalty, and the organization spirit which has been shown by a considerable body of men and women, both individually and collectively, over a long period of years. Whatever pleasure I may feel in the success of that boyish venture of a quarter century ago comes very largely out of my personal association with the men and women who have so ably cooperated with me in every venture and to whom the credit for whatever success that has been achieved should be given.

## THE STAFF OF THE NATIONAL UNDERWRITER



GEORGE A. WATSON  
Eastern Vice-President The National Underwriter



RALPH E. RICHMAN  
Manager Cincinnati Office The National Underwriter and Editor Fire Protection



ABNER THORP, JR.  
Director Life Insurance Service Department The National Underwriter



EMERSON R. SMITH  
Manager Statistical and Compilation Department



# Life Insurance; A 25-Year View

BY HENRY FRANKLIN TYRRELL

**C**ONFIDENT of the reader's facility as a vocabularian and careful of my own reputation for truth and veracity, let me hasten to write that I am no haruspex. A view of the entrails of life insurance incites within me no special impulse to prognostication.

THE NATIONAL UNDERWRITER has asked me to write about the past 25 years of life insurance and it has permitted me to speculate as to the future.

In my humble judgment—and God only knows how humble all judgments become after years of commercial and corporate servitude—there are less than a dozen men in the United States genuinely equipped to write this story—and I am not one of them.

One is the man who would blue pencil my reference to him, if I mentioned his name; and the other is Young E. Allison of Louisville, poet, author, imaginalist and gentleman; another, Harvey Thomas of Newark, genius of written words, and the rest, with possibly one or two exceptions, representatives of that powerful and splendid fourth estate without which the institution of life insurance would seriously suffer.

**H**E WHO writes from a viewpoint acquired after 25 years of home office observation of men and measures necessarily is handicapped. If he makes incorrect deductions or inadvertently makes mistakes, he may get into serious difficulties, and if he tells the truth, the whole truth and nothing but the truth, he is likely to lose his job!

The smart bird is he who looks wiser than a screech owl, but lets the other fellow do the writing. And the funny part of it is, there always is someone who cannot resist the appeal. That's why, when THE NATIONAL UNDERWRITER asked me to mount the old mental aeroplane and take a little flight out

into the field of fancy, I fatuously fell!

Give me credit, though. I know that I cannot write as well as the men mentioned, and I don't have to. Both my admission and my claim appear to be fully vindicated by the following excerpt from a judicial decision by one of our high courts, in which a distinguished justice was moved to write: "Having taken a step in the wrong direction with the best of resolutions that we will not take another, when to go farther, having started, is the natural or necessary consequence of the digression, it is most liable to occur, or a return movement be indulged in, or an incongruous position be adopted."

So with this moral support back of us, may we not virtuously proceed?

**T**HE task is to cover 25 years of special history; tell what life insurance has done in that time and of the progress it has made, and, by the same tokens, to prophesy about the future, all to meet the exigencies of magazine space and, at the same time, to approximate readability.

The writer can only proceed with hope, for

"A man who learns and learns and tells not what he knows,  
Is like the man who plows and plows, but never sows."

This must not be an academic discussion. It must be a plain tale, hastily and simply told. This is best, too, for as Emerson says, "The speech of the street is incomparably more forceful than the speech of the academy."

We can only hit the high spots.

Twenty-five years ago, life insurance was a weakling. Practically all its development has been within the last quarter of a century. It would be interesting to consider that development

step by step but, for present purposes, that is impossible.

Three great things have come to life insurance in the last 25 years—the Reformation, Panic and War. And it pleases me, and it gives me righteous pride, to write that out of these scourges the institution emerged as clean as a hound's tooth and backed by one of the most potent of public forces—Confidence!

Twenty-five years ago men apologized for selling life insurance; now men apologize for not buying it!

**T**HE Reformation started in 1905. It serves no present purpose to inquire too fully into its causes. Governor Frank W. Higgins in his message to the New York legislature of 1905 conveyed the impression that many life insurance companies had lost control of their management because of collateral interests, and it was contended at the time that (a) a company should have no agents; (b) the deferred dividend plan was vicious; (c) business cost too much; (d) premiums were too high; (e) companies had gone mad in their race for business; (f) growth of companies must be limited by law; (g) the great accumulations of companies were dangerous and (h) there ought to be a standard policy.

The progressive thought at the time crystallized in the report of the Armstrong Committee, which recommended, in brief, (1) the conversion of all stock companies into mutual companies to be controlled by policyholders; (2) the elections of new boards of trustees by companies; (3) prohibiting of investments in stocks; (4) prohibiting of syndicate operations; (5) cancellation of proxies; (6) a law giving policyholders the right to vote in person, by proxy or by mail;

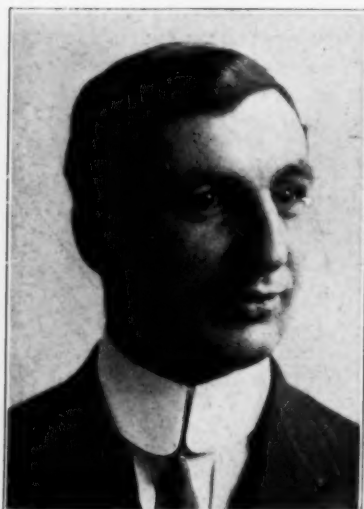
(7) limitation of new business; (8) forbidding political contributions; (9) standard policies; (10) no more rebates, bonuses, prizes or rewards; (11) full publicity; (12) no more assessment or cooperative companies; (13) no more deferred dividend policies; (14) giving policyholders the right to sue without appeal to the attorney general; (15) requiring lobbyists to be registered and to account for expenditures; (16) salaries of more than \$5,000 to be fixed by the trustees; (17) amendment of rebate law to make receiver equally guilty; (18) annual distribution of dividends and (19) agents' commissions to be made uniform.

**T**HEN came the so-called Committee of Fifteen, which recommended the adoption of legislative bills, as follows: (1) establishing standard forms of policies which may be issued, and providing that if such standard forms were not used, certain standard provisions should be included in policies and certain prohibited provisions omitted; (2) requiring an annual apportionment and accounting of surplus; (3) requiring an annual apportionment and accounting on policies issued on the deferred dividend plan; (4) prohibiting political contributions; (5) regulating the real estate holdings and investment of funds of companies; (6) requiring policies to contain the entire contract; (7) defining status of insurance solicitors; (8) prohibiting misrepresentations; (9) prohibiting discriminations; (10) regulating the election of directors; (11) prohibiting issuance of non-participating policies by participating companies; (12) regulating the salaries of officers; (14) retiring capital stock; (15) providing method whereby assessment companies may be reincorporated as legal reserve companies; (16) prohibiting corporations to act as agents and (17) relating to annual reports.

## THE STAFF OF THE NATIONAL UNDERWRITER



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Southwestern Manager The National Underwriter



**GEORGE C. ROEDING**  
Associate Manager The National Underwriter



**OTTO E. SCHWARTZ**  
Associate Manager The National Underwriter

One extremely important action of the Committee of Fifteen persistently has been overlooked and that is its resolution declaring that "all retaliatory legislation should be repealed."

THE Armstrong Committee and the Committee of Fifteen were the outstanding figures in what is here called the Reformation. Wisconsin had a little legislative investigation of its own, and so did Ohio and possibly other states, but the "big noise" was made by the two committees named.

We who were connected with life insurance in those days readily remember the alarm and confusion which prevailed while investigations and proposed legislation were in progress. Many recommendations of these committees were adopted; many laws were passed and some were defeated. Good came out of the disturbance, but after all the confusion had passed, the alarm had subsided and confidence had returned, policyholders were sure of these facts, as Darwin P. Kingsley pointed out in 1907 when reviewing the two-year situation, to wit:

First: That their contracts were safe and the companies sound;

Second: That their life insurance protection rests on an idea which is national and even international in its scope, and cannot, therefore, perform its best service if unreasonably burdened and restricted by local politics or local interests; and

Third: That payment of premiums does not complete a man's obligation to his company; just as voting does not fulfill a man's duty to society. The good citizen supports good government and condemns bad administration in a thousand ways.

TWENTY-FIVE years ago life insurance was feeling the effect of a national panic, and in the quarter century which has since elapsed, it has gone through one or more of these nerve racking and business destroying experiences.

Always life insurance has materially aided the situation. It has taken the



Henry Franklin Tyrrell, legislative counsel of the Northwestern Mutual Life of Milwaukee at its home office, raconteur extraordinary, judge of good things to eat and good things to read, and sometimes good things to drink, is one of the best known men in the life insurance field. Mr. Tyrrell is to the "manor born." He is the right man for the job. He has a keen political sense. He is able to step on the ground floor of human life and peer into the thoughts of men. He does not look at life insurance and its relations to the public from the home office point of view alone. He is able to look at life insurance from the standpoint of the public and the legislator. Charming in his comradeship, warm in his sympathy, he becomes the center of any group. Mr. Tyrrell knows all the insurance commissioners, is acquainted with a majority of the state legislators, has a wide acquaintance in the House of Representatives and Senate of the United States and knows insurance officials from one end of the country to the other. He is the guardian of the outer sanctuary of his company. He might be called the captain of the guard. Mr. Tyrrell never goes on a mission unless he believes in his cause. Primarily he is sincere. He does not try to camouflage his movements or assume an attitude that is false. He believes in talking to office holders as man to man. In his way he has gained the confidence of those whose favor he is seeking. He is worth much to the Northwestern Mutual Life and is worth a lot more to his wide circle of friends.

impotent dollar of the individual and pyramided it into the potent dollars of the mass and it has thrown its influence towards recuperation and stabilization.

We do not give life insurance enough credit for its aid in times of national stress. We are repaid, however, for the confidence the public has in the institution.

AND then came war, with all its serious problems. Life insurance has gone through two wars in the last 25 years and each time it solved its grave questions in a masterly way. The Spanish war had its own peculiar problems and the World War brought the institution face to face with a real national tragedy.

We are too close to the event to outline the connection of life insurance with the late international conflict, but the service of life insurance and its officers, agents and employees and the investment by companies in war funds, will hereafter be noted as an incident of the occasion.

Indeed, in the great tests of the Reformation, Panic and War, Life Insurance emerged, and still continues, superb!

A PERFECTLY natural way to further consider and outline the development of life insurance within the past 25 years would be to consider the liberalization of the policy contract, the development of the agency or selling system, and the improvement in medical selection.

Here are some of the things which have developed within the quarter century: Restrictions as to residence, travel and occupation have been dropped; grace in payment of premiums is permitted; incontestability clause limited to one or two years; suicide clause reduced to one year; guaranteed cash and loan values established; warranties as to applicants dropped; deferred dividends or tontine system abandoned; policies made payable immediately instead of after 60 days; general reduction of surrender charges; development of installment payment system; automatic premium loan features; delay clause made applicable to cash and loan values; adoption of benefits for total and permanent disability; adoption of accident (double indemnity) benefits; development of substandard insurance for impaired risks, and group insurance.

This, in an incomplete, but general, way, gives some idea of the progress that has been made in contractual provisions.

AS TO agency supervision, perhaps the most satisfactory and noteworthy accomplishment that has come within the past 25 years is the relinquishment of the unholy competition that once obtained among rival agents.

This is a marked accomplishment, and it has led into the further noteworthy fact that life insurance solicitors are now recognized as vocationalists instead of high-toned failures or all around no-accounts.

Adoption of civil service rules by many companies; the enforcement of no-brokerage and anti-rebate rules; the passage and enforcement of anti-twisting and anti-discrimination laws; the regulation by the states of agency appointments; the establishment of the Carnegie Institute School and chairs at colleges and universities and the perfection of sales methods have made the vocation a splendid one. Life insurance is now sold, indeed, and

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Special Representative The National  
Underwriter



J. C. MCINTYRE  
Cashier Chicago Office The National  
Underwriter



by men who are expert, and proud of their service.

THE evolution and history of medical selection throughout the time under observation would involve too much of the intricate and technical for a mere layman, but, in a word, it may be written that as the result of studies and investigations by life insurance companies, singly and collectively, the institution has been put into possession of data which have brought scientific medical selection nearly to the point of perfection.

The high spots in this evolution and history are marked by the specialized mortality investigation of the 34 leading companies of the United States and Canada covering policies issued between 1870 and 1899, and completed in 1903, and the Medico-Actuarial mortality investigation completed in 1912, covering about 3,000,000 policies issued by the 43 leading companies of the United States and Canada between 1885 and 1908.

In this connection, the work of some of the industrial companies in hygienic and kindred lines is noteworthy in the events of the past 25 years.

THIS brings us down to the consideration of incidental features, each one of which might well be given the benefit of a separate, special story.

Take the circumstance of the development and growth of industrial insurance, in all its phases, during the past 25 years, for example. This would make a story requiring the genius of a Dickens to tell.

The perfection of state supervision is another subject worthy of a chain of stories. The splendid functioning of the National Convention of Insurance Commissioners is a matter of general recognition and incidental to the working of this body, life insurance now has the protection of authorized examinations; uniformity of blanks; uniform laws on valuation of securities and other subjects and practical comity between states.

The building up and establishing of the fraternal system by the Mobile Bill and New York Substitute are also features of the experience of the past 25 years.

The establishment of the American Life Convention and the Life Insurance Presidents' Association are incidents which should have more than passing mention in a history of this period, to say nothing of the truly helpful work which the Life Underwriters' Association has performed for the institution.

ONE could easily justify himself, also, in this connection, if he devoted some space to the wonderful aid life insurance has given this nation in the past 25 years in the way of loans. Millions upon millions of dollars have been employed for development purposes and one of the real romances of the institution comes from its well recognized empire building.

The adaptability and versatility of life insurance was well illustrated by its recent experiences with the "flu" epidemic and government recognition. It went through the ravages of the epidemic splendidly, showing a resisting power that was magnificent. It

graciously accepted the compliment paid it by the government in adopting it as a war measure and counted it as a bit of evidence tending to prove the appealing power of life insurance.

Some strange things have come into being, also, with the passing years. The theory of compulsory investment of funds, started in Texas in 1907, has had more or less of an experience and the establishment of a life insuring fund by a sovereign state is one of the spectacles. Both compulsory investment and state insurance, it well may be observed, have proven themselves to be rank failures.

NO STORY of the development of life insurance in the past quarter of a century could be considered complete without a reference to that necessary incident of the institution—the insurance press.

It so happens that just about 25 years ago, there was a sort of epidemic which induced the starting of insurance journals and THE NATIONAL UNDERWRITER was among the number.

This journal needs no commendation from me at this time and place. It speaks for itself at all times and in all circumstances. But its splendid presence in the fraternity serves as an occasion to sound the warning that in the future the institutional press must be confined to those best fitted for, and suited to, the purpose. The day of the scissor-edited handbill is doomed and the sooner life insurance companies help to kill these weak sisters off and not permit them to suffer the better it will be for the business.

Life insurance needs a broad gauged press and journals like THE NATIONAL UNDERWRITER exactly fill the bill.

NEITHER could this condensed history approximate completeness if the great men of the period were overlooked.

History is but the essence of innumerable biographies and so the experiences of the past 25 years are a part of the life stories of the great geniuses who really made the institution.

Space will not permit of a complete roll of honor, but this story must name a few like Henry B. Hyde, James G. Batterson, Jacob L. Greene, John A. McCall, Henry L. Palmer, John F. Dryden, Levi G. Fouse, Emory McClintock, Richard A. McCurdy, John M. Taylor, John R. Hegeman, George E. Ide, Joseph A. DeBoer and John B. Lunger.

These were the master builders. One does no injustice to officials of the present day when he characterizes them as mere mechanics in comparison.

FORCED to a final conclusion as to the accomplishments of the quarter century, one would write that the development of the policy contract and the art of placing it were the outstanding features.

By the modern policy of life insurance every contingency is covered—"the contingency of death, lapse, surrender, mode of paying premiums, conversions, restrictions and even disputability."

In other words, there has been an adjustment of the policy to the needs and circumstances of the individual

whether "he be rich or poor, buying in small or large amounts, or whether he desires simple protection or investment protection, or defers the payment of his share in surplus, or takes it early, buys stock or mutual insurance, remains a lapsing or persistent member, or however he may wish the benefits or proceeds to be paid in his behalf."

As to the art of placing life insurance, one need but repeat what was written earlier in the story, to-wit: That life insurance is now sold.

IN A nutshell, here is what the life insurance companies have done in the past 25 years:

First: They have induced millions of persons, as has often been pointed out, drawn from every race, religion and nationality, to forget their prejudices and remember their duties. Cooperating, these persons have paid billions of dollars into a common fund, making the impotent dollar of the individual a part of the potent dollars of the mass;

Second: They have invested billions of dollars in the farm, in the upbuilding of business and generally, in the establishment of the nation;

Third: They have paid death claims and endowments running into the billions;

Fourth: They have paid cash to policyholders aggregating millions of dollars;

Fifth: They have reformed the policy contract until it meets every individual need; and

Sixth: They have developed the art of selling life insurance to the perfection point.

HAVE those companies failed in any respects? Frankly, they have.

In the first place, they have failed to stop lapsation and twisting.

These are two incorrigibles. The companies have made splendid progress toward their eradication, but they still have plenty of work to do in this respect.

They have failed to save their policyholders from legalized robbery in the guise of state taxation. They have made a lot of motions and they have done considerable grunting, but that is about all they have done. The unjust taxation proceeds unremittably and doggedly.

THEY have not entirely enlisted the interest and loyalty of their policyholders.

The attitude of the average policyholder towards the company which insures him is neutral, at the very best. He regards the company as a big thing which has no personal interest in him, other than to get his premiums. The average policyholder does not distinguish between a life insurance company and any other great, financial, commercial or industrial organization. He does not realize that every effort of every officer of the company which insures him is always directed to his interests, in money, efficiency and every other way.

Life insurance companies have sold—and will continue to sell—their products, but have they sold themselves to their policyholders?

One can only judge by the attitude of the public, which manifests itself

through juries, legislatures and the public press.

Did anyone ever hear of a jury giving a life insurance company a little the best of it? Is it not true that the institution always has to go before legislatures with a preponderance of the evidence? As to the public press, who can tell what it would do in an emergency? We know almighty well what it did do when it had its chance and we are justified in wondering what it would do again if another opportunity were offered.

POLICYHOLDERS have not been fully educated as to their rights, duties and privileges.

Recently I had occasion to inquire as to the number of life insurance companies in the United States and Canada which periodically issued papers for, or other instrumentalities of communication with, their policyholders, and I was astonished to find that few did this sort of thing. Not one of them, with a single exception, gave me a good excuse for not doing so, and the company which gave me the excuse said it did not believe in educating its policyholders. And this was not a little, no-account company, either; it was one of the largest in the United States. The man who gave it to me is one of the keenest students of the principles and practices of life insurance within my acquaintanceship. Possibly he is right; but, nevertheless, I believe that a man who knows life insurance; who has had some experience with men and the world; who loves his fellow men; who has a heart, and some imagination, with just a little genius in the art of expression, could enlist the interest and loyalty of policyholders.

That is one of the things life insurance has failed to do.

WHAT of the future? Based on the experience of the past, life insurance is destined to further expansion and enlarged service. There can be no reasonable doubt about that. Surely the institution has not attained to the full limit of its possibilities. Just as geniuses appeared in the last 25 years to give thought to changes and perfections, so will others appear in the next 25 years to offer advice. The complexities of life and ever-changing conditions will compel new practices and with all the shifting about, the policy contract will keep pace with the times and the art of placing the new product will challenge the ability of master salesmen. But life insurance will never again pioneer—the past 25 years has put it upon a sound and solid foundation.

No less can be written; no more need be.

The first issue of *The Ohio Underwriter* in 1897 included two pages of photographs of the chiefs of the Ohio insurance department. William S. Matthews was superintendent, Capt. J. P. Slemmons was deputy, Otto William Carpenter was chief examiner and William James Beggs was stenographer and corresponding clerk. Mr. Beggs is now one of the partners in the James & Manchester agency at Cleveland.



# In Those Good Old "Salad Days"

BY CHARLES E. SHELDON

**A**T the close of a protracted conference during which I had made a fervid appeal in support of certain measures, one of my very good managerial friends came to me and said: "Charlie, where do you show next?" Of course I knew I had talked too much.

Now comes the invitation to contribute to this anniversary number, and to "Sit down and ramble over the field during the last 25 years and give us some of your reminiscences, observations bringing into view again some of the old personalities, etc."

In the first place, why go back only 25 years, and thereby stopping in the middle of my insurance career leave out the first 25 very pleasant years? The "Ides of March," 1872, witnessed my induction into the fire insurance business—office-boy and general utility man to my dad, a veteran local agent in the now large city of Rockford!

**I** RECALL the first solicitation—the order from a bank president to renew, on April 6, 1872, his residence insurance in the old Continental, which company has survived despite my early representation. I well remember how carefully I wrote the policy, how artistically I underlined with red ink the prominent written portions and then placing the important contract in an attractive "policy envelope," and with it one of those gold leaf house plates which were once a part of every agent's outfit, I proceeded to deliver my first policy. I passed it through the wicket to the dignified, spectacled banker, who took the policy from the envelope and then reaching in held out to me with a quizzical face the house plate and said: "What shall I do with this?" I promptly informed him it was to be tacked over the door of the house. I surely remember the twinkle in his eye as he replied: "Oh, well, I've a little house in the rear where I will put up the tin plate!" After that I was hesitant about passing out "house plates."

**W**AS I "too green to burn"? I sure was, for having accepted the agency of the "North Missouri" and business being quiet, I proceeded to practice my penmanship by countersigning the full supply of policy blanks and renewal certificates. Later when the agency was removed for lack of business there was a disgusted special agent. Perhaps some who reads this will hark back to their own "salad days" and find there reasons for the exercise of charity toward the mistakes of others.

One thing we old boys were educated to do, and we did it, and that was to answer the questions on the daily report. Nowadays a "questionnaire" is not popular and in many cases companies would not know who sent in the reports but for the imprint on the blanks placed there when the supplies are sent out.

Come along, you local agents, fill out and sign your reports!

Will James L. Case, president of The

National Association of Insurance Agents, please note this for attention in his "next"?

**D**URING my term as local agent I met many distinguished, usually delightful, and generally persuasive, special agents. I can only mention a very few. Probably among the best known were Major Hosford of the Home and W. H. Taylor of the Hartford; "Tom" Dean of the Manhattan (this was the company which had an influential agent at St. Paul named Sam Eaton and in that section it was known as the "Sam

cession of 23 "adjusters" marching up from the train to the old Sinissippi House, led by I. S. Blackwelder. I remember that later Mr. Blackwelder came to my room, explained the adjustment to me and helped me with my proofs and schedules. He knew "the cub" needed some expert assistance. His was the kindly act of a big-hearted and competent leader and I have never forgotten it.

**E**ARLY in my career I indulged the hope that I might become a special agent, and when Colonel Dresser, in



*Charles E. Sheldon of Rockford, Ill., vice-president and western manager of the American of Newark, is one of the most brilliant underwriters in the west. Mr. Sheldon prides himself on once having been a local agent. He grew up in a local office, participating in all the joys, sorrows and problems that come to the solicitor. Because of his early association he has ever felt a keen sympathy for the men who are out on the firing line getting the business. He as much as any other man in the west has been able to interpret the needs of the selling side of the business. Mr. Sheldon has been conspicuous in the various insurance organizations, being a strong constructive force. Because of his high position, his exemplary character and his comprehensive knowledge of the business he has been called into the*

*councils from time to time and listened to with great attention. It was Mr. Sheldon more than any one else that had to do with the organization of the Western Insurance Bureau and later the formation of the joint working agreement between the Western Insurance Bureau and the Western Union. Mr. Sheldon is a prominent citizen of his community. He has taken part in its various activities. He owns a magnificent home in a beautiful location. His home surroundings are ideal. In his domestic life he is representative of the best in the American household. He is fond of reading, is a man of refined taste and has drunk deeply of the "milk of human kindness." Mr. Sheldon's friendships in the business have been fond and lasting. They have meant much to him and he has meant much to the men with whom he has come in contact.*

Eaton Company of Manhattan") and the genial and brilliant "Tom" Smith of the North British & Mercantile. This "Tom" always had a good supply of stories, usually a little decayed. At one time I was associated with "Deacon" Dickerman, and it was Tom Smith's delight, on his occasional visits, to relate some particular tale to the "Deacon." I always judged from the dry laugh which proceeded from the latter's desk, that Tom had worked off one of his worst.

**I**N those primitive days when a loss occurred each company sent its special representative to participate in the adjustment. Our agency had placed insurance on an oatmeal mill at Oregon, Ill., and it burned. I received a telegram to "adjust" for one of our companies. I very well recall the pro-

charge of the western business of the National of Hartford, proposed "per diem" work, I eagerly accepted and started on my maiden trip.

The letter of instructions and advice which I received from my employers is recalled to my mind by the following word picture drawn by Edward Niles some years ago:

"It will be more satisfactory to all concerned if our special will begin his career by acting solely and continuously from a high sense of duty. Guided by this principle, he will not ramble leisurely through the country, carefully selecting the towns having the best hotels, putting in an hour or two of work every day and idling the balance of the time; but he will be a man of untiring action, of method, of patient, plodding industry. If he be not blessed with the gift of acute mind and a brilliant intellect, no matter. If he be studious, faithful and correct in his business and personal habits, he shall sit before kings.

Under the inspiring touch of his patient hand, nourished by his kindly, genial nature, that will bring into bud and flower the most dormant agent that ever wrestled with the intricacies of the rate book, agencies will blossom and bring forth such good fruit that general agents will rise up and call him blessed, and local agents will look anxiously for his coming and will gather for him their largest stock of knotty conundrums, accepting his answers as infallible—as they should be."

**M**Y old expense account has these entries:

March 18, 1880—R. R. to Beloit, 90c.

March 19, 1880—Lodging, \$2.

March 19, 1880—Supper, 25c.

Present day expense accounts of our field men tell a different story. Making three weeks trips (T. & T. Specials please note). I put in a plea for my "per diem" for Sundays away from home, and obtained it.

**I**N my early days there flourished in the West a great many of the really able men in our business. I viewed them from afar with awe and admiration. To mention all will not be possible, even if Cartwright said I could have all "the space" I wanted. A few names must suffice:

George F. Bissell, the Earl of Warwick insurance-wise.

Cary, the far-sighted master of inventive, called the father of graded commissions.

A. F. Dean, the scholar—many-sided in accomplishments.

Cornell, of the North British, a dashy, original, forceful character.

Thos. Ross Burch, probably the ablest executive of his times—dying at

"Uncle Dan" Osmun, a type of the old school.

The conservative, comfortable-going Colonel Dresser, universally respected.

T. W. Letton, one of the leaders at Saratoga in 1897.

But time fails me to recount the names of the many of those early days and later who are the foundation stones in the fire insurance structure.

**A**ND here is a letter, dated June 11, 1880, from Oscar B. Ryon, agent at Streator, Ill.:

"The Lycoming has gone to the devil and is going to settle its liabilities with 'certificates.' I shall divide their business between National and German American. The flour mill went through all right."

The "flour mill" referred to was a risk put up by Oscar to every new special agent. He walked me up the railroad track a mile or so to "inspect" it and I reluctantly gambled \$500 of the National's surplus on it. Oscar told me recently the mill was still standing. Good scout is O. B. Just my age. He keeps young growing tulips and other "posies" down at Streator and I have stopped growing old by linking up with numerous grandchildren.

**T**WO years in the field preliminary to an official position in the Rockford Insurance Company, then known

chiefly as a "farm writing" company, were followed by seventeen years of hard, uphill work but, as I look back, years replete with pleasant recollections of association with a lot of fellows who have made good. We were an enthusiastic, loyal bunch of youngsters and we thought "The Rockford" was the "best ever." I remember that without any sense of presumption we put out a sign with only the words

"YE OLD ROCKFORD."

It was a great slogan and many of the "old boys" who rallied about us are still doing business with the Rockford office.

"God bless them, every one!"

**I** HAPPENED in on one of the old guard a couple of years ago. He lives in a beautiful little Wisconsin city. I appointed him agent for the National, and for the Rockford, and he now represents the American. I had not seen him for 40 years. Somehow I pictured him as the still handsome, young banker, with black mustache and slender of form, whom I knew in 1880, and when I shook hands with a dignified, portly personage with gray hair, it was a distinct shock. I knew I had grown older, but I expected "Chet" to enjoy perennial youth. After some conversation he asked if I would like to see the old policy register and going to an unused safe he brought out the ancient record and there was my signature and date of last visit. I "signed up" again—"Forty years after"—and then we went out to look at a risk, still standing, which I had once criticised. Of course we couldn't miss seeing that. Incidents such as these do a mighty lot to help one over some rough places in the road of life's activities. I am grateful for these loyal friends. But I did not intend to be quite so personal and I must heed my text.

**T**HE growth of the fire insurance business during the past 25 years has been so gradual as to attract little attention except for the sharp upturn due to the influence of the World War. It is only as we compare the operations of the earlier years with those of the present time that we are able to correctly measure the importance of the position in the business world which insurance has achieved. I have no fear that stock fire insurance will lose its prestige or its command of the situation. Its underwriting methods have broadened greatly and the facilities which it offers are being constantly increased. Even more than our banks, it represents the backbone of commercial activity. It is being aided by the important support and cooperation of associations of local agents, and agents, individually, have very remarkably improved in efficiency and general conception of their responsibilities and opportunities. Sometimes I think we have too many organizations; too much refinement of rules and rates; all tending to discourage individual initiative and activity, but to a considerable degree the laws of the several states are responsible for these conditions and it is regrettable to observe an increasing tendency upon the part of state officials to boost materially the operating costs

and indirectly inflict upon property owners burdensome and unnecessary taxation. This may prove to be a temporary infliction which ever-changing political conditions will remove.

**A**FTER all, a business grounded as ours is, in the needs of the common life of the nation—social and economic—cannot be destroyed although it may be seriously hampered.

There is an apparent need, however, for a closer drawing together of the insurance companies in legal and effective cooperation, a growing indifference to which is being perceptibly felt. It seems strange that just when the local agents are emphasizing the value and necessity of the "get together" idea, so many company officials show their lack of sympathy.

This spirit of indifference does not augur well for the immediate future of our business. However, I think the fire insurance business, like man, "was born unto trouble as the sparks fly upward." The good old days were not free from perplexity.

**F**ARM business in the East had its troubles and decadence as witness the following item which appeared in one of the early journals:

"Dr. H. M. Stevens, secretary of the Agricultural Insurance Company of Watertown, remarked in a recent conversation: 'We formerly made money in the farm business, and until recently the greater portion of the risks on our books was made up of that business. Of late years, however, we have made no great effort to get farm risks, for this business has been ruined by competition. It is true that half of our present risks are on farm property, but we are not trying to write this class of insurance. We are devoting our attention to dwelling risks in cities and towns. The farm business has been demoralized by large companies. Cutting rates and other demoralizing practices have ruined this class of business which we formerly made a specialty of, but which is now unremunerative.'"

Will history repeat itself in "the passing" of stock farm insurance in the West?

#### "ECONOMY MUST BE THE RULE."

Such was the title of an article printed in "The Insurance Post" from the pen of Abram Williams, a well known and successful manager of that time. It sounds much like "Charlie" Coates' address to the Western Insurance Bureau this year of our Lord, 1922.

Here it is in part:

"The record of 1891 is not fully made up, but it is sufficiently known to make it evident that the final figures will mark it as one of the most discouraging years for the insurance business yet known. Had there been great conflagrations in which whole communities were ruined and of such proportions as to attract the sympathy of the country at large, the result of the year's business would be accepted as a matter of course. We have had large fires, perhaps more of them than usual, but the losses were so distributed as not to be extensively noticed. But the general flood of losses all over the country has been enormous, and beyond the experience of any previous year. The loss line has been steadily growing for a number of years, and the last one is greater than all others. The companies are slow to act, but act they must, and quickly. It will not do to assume that the last year was phenomenal and not likely to be repeated. What then

must be done? The only remedy apparent at this time seems to lie in the direction of a reduction of expenses. While the loss ratio has steadily increased during the past five years, expenses have increased in a greater proportion. There must be a reform, and at once. If the relief cannot come sooner, then at the latest the companies must come together, go vigorously and determinedly at work to get control of their business, and insist that at all points there shall be no excepted cities, and no exception to the rule of fifteen percent commission. Besides this, let the effort be made toward a reduction of taxes and local and state board expenses, which have been steadily increasing. Economy must be the rule."

What would Mr. Williams have said about the record of 1921?

**I**N a contemporaneous paper was published a statement of the average commissions and brokerages for 1891:

	Premiums	Commissions and Brokerages	Average
Totals, New York Companies .....	\$35,096,873	\$5,769,312	16.4
Totals, Other State Companies .....	56,142,234	8,726,588	15.5
Totals, Foreign Companies .....	45,835,506	7,352,713	16.0
Grand Totals .....	137,074,613	21,848,613	15.9

An analysis of the foregoing table gives the following result:

Companies of	Total	Number above Average Rate	Number at or Below Average Rate	Highest Ratio	Lowest Ratio
New York State .. 42		28	14	23.3	6.0
Other States ..... 62		38	24	24.4	8.7
Foreign Countries 25		13	12	20.4	8.7
Totals .....	129	79	50	29.4	6.0

**F**OR the present day insurers of automobiles, there may be some comfort in the following reflections of an 1891 underwriter respecting a class of business which while subject to sudden disaster and wide fluctuations of loss has averaged pretty well. The quotation is from an editorial in an 1891 insurance journal:

"It has been a matter of doubt among underwriters whether insurance against damage by cyclones and tornadoes was a safe business to undertake, and those companies that have engaged in it have not indulged in the most sanguine hopes of large profits. But it was a new thing, and property owners in the 'cyclone districts' were exceedingly anxious to obtain cyclone indemnity, so a number of companies have undertaken to provide it. One of these, that had accepted many cyclone risks and was felicitating itself on the liberal amount of premiums derived from this source, recently had a loss, a regular cyclone of a loss, for one of these destructive wind storms swept over four counties in which the company had many risks. As a result, the manager says it will take seven years' cyclone premiums to make good the losses occasioned in an hour's time by this particular cyclone, which seemed to make careful selection of insured property to spend its strength upon. This is experience, and is worth more to that particular company than all the theorizing of all the cyclone experts in existence. The trouble about this kind of business is that property owners outside of the cyclone districts do not want it, and, consequently, the field for premium gathering is limited to the section where the losses occur, so that all the property insured is exposed to a single hazard, which is liable to make a total loss of the whole of it. Where a single cyclone eats up seven years' premium, and is liable to call again at any time, the margin of profit in the business is reduced to microscopic proportions."

I wonder if he is still with us!

**G**RADED commissions also received, as now, much consideration with then, as now, quite divergent views. The following item, clipped from an insurance journal of long ago, may be interesting reading:

"Graded commissions is the new proposition of the Local Underwriters' Union on the Pacific Coast. The idea is that the agent who devotes his whole attention to the business is worth more than one who devotes only a portion of his attention. The scheme is as follows:

Premium receipts under \$1,000, 10 percent commission.  
Premium receipts between \$1,000 and \$2,500, 12½ per cent.  
Premium receipts between \$2,500 and \$5,000, 15 percent.  
Premium receipts between \$5,000 and \$7,500, 17½ percent.  
Premium receipts exceeding \$7,500, 20 percent.

Premiums	Commissions and Brokerages	Average
\$35,096,873	\$5,769,312	16.4
56,142,234	8,726,588	15.5
45,835,506	7,352,713	16.0
137,074,613	21,848,613	15.9

"The weakness of the scheme is that if eight independent solicitors with business of less than \$1,000 chose to pool their issues they could draw double commission while working no harder than before."

**N**O chronicle of fire insurance history in the West would be complete without some reference to the "rate wars" which impulsive, arbitrary and shortsighted officials inflicted upon a long suffering business. Fallacious, theoretical, ill-considered reasoning took its toll of the labors of companies and agents, friend and foe alike. The year 1897 witnessed the climax and culmination of these undesirable activities.

The "rise and fall" of the new recruits to the Union is graphically told in the columns of the insurance press of the years 1897 and 1898. "Lest we forget" I quote a few choice items:

#### "THE NEW WESTERN UNION (Saratoga, N. Y., Sept. 13, 1897)

The Governing Committee to act on the demands of the non-unioners.

"Well, it's all over! The domain of his satanical majesty will not be extended just at present in the West. The wedding bells are ringing and the Union groom and the non-union bride are spending their honeymoon amid the skyscrapers of La Salle street. The groomsman, Messrs. Letton, McBain, Brown, Garrigue, Trembor and Wollaecker, can be pardoned for not suppressing their self-complacent smiles, while the members of the governing committee who made such hot love to the now blushing bride, will be forgiven for wooing so ardently. Enough outsiders have joined the Union to make the membership of that association number one hundred—a lucky number. The non-Unioners are a little ahead on the deal, for their entrance was based on the acceptance of a large number of resolutions, which, boiled down, demand the following reforms:

1. Separation of agencies.



2. Reinsurance with Union companies.
3. Abolition of overhead writing.
4. Single agencies; except in large cities, and those restricted.
5. No excepted cities.
6. Fifteen percent commission except on farm property.
7. No salaried agents or solicitors.
8. Protection to members from outside competition.
9. No change in agencies before January 1, 1898.
10. Restoration of rates in Northern Illinois and southern Wisconsin and new members to have proportionate representation on the governing committee."

**T**HIS happy outcome of what promised at one time to be a very bitter fight has been brought about by a fair compromise on both sides. While the non-Union companies have entered the Union realizing that such faults of omission as may exist in the administration of that historic body cannot be remedied at once, the Union, on the other hand, has fairly placed itself on record as favoring the important reforms suggested as necessary by the non-Union element. The present session of the Union stands as the best attended ever known, there being but one member absent. This attests strongly to the intense interest felt on all sides in the present crisis, and it is noteworthy that out of so large an attendance there arose only a cheerful disposition to sink individual interests and to legislate only for the general good. Of strong, vigorous discussion there was no lack, but the desire to effect if possible a coalition with the enemy was the paramount purpose. For the present, at least, the chances of a rate war in the West have been averted and it is probable that protection for the enlarged membership of the Union will be sought in other ways."

**B**UT the scene changes and there are heard the rumblings of discontent, and the news items have a different tone:

"There are signs of disaffection in the Western Union ranks which bode no good for the future. The new members who joined the Union at Saratoga last September are slowly withdrawing and their grievance is that the promised reforms have not been carried out. Probably this is true, and it might have been added the old members have not shown much disposition to help the new members. In the Western Union there are charges of disloyalty and deviation which are not disproved, and there are rumblings of discontent."

**I**N September, 1897, a number of outside companies joined the organization, for the purpose, as they thought of saving rates in the West. They entered with the promise on part of the organization that many reforms would be put into effect. Not a single one has been fulfilled. These new members have lost business. Their agents rebelled against new commission contracts, and their old competitors on the outside, which were their natural ones, have gobbled the business. No method has been devised to meet this competition save reducing rates, which has not been effective. Then there have been a dozen or so companies in the organization that openly or clandestinely violated obligations, have tarried in cooperating, or refused to do so. The governing committee has endeavored from time to time to get them into line, only to find that they have not succeeded. In anti-compact states this lack of cooperation has been most marked. As a result there is not a company but has cut-rate business on its books, the old violators being far in the lead. Men are following their own interests and the year has proven that any legislation in the way of reform that is not along the line of self-interest will never become effective.

The general good, seemingly, is lost in the selfishness of individual men. Constant repudiation of obligations has disgusted those that have tried to adhere faithfully to rules and good practices."

**A** good many important questions were considered at the Saratoga meeting concerning which it was not thought advisable to take immediate action. These questions were referred to the governing committee with power to act. There was a large number of recruits at Saratoga, and most of these enlisted, upon the implied understanding at least, that the governing committee would do something with the divers and sundry troublesome questions. The governing committee was given a free hand and it was generally understood that but few questions would be asked provided certain desired results were accomplished. Much interest, therefore, centers in the forthcoming report of the governing committee. If the report shows progress in the direction of a settlement of troublesome questions, the organization will be strengthened. If on the other hand it turns out that the committee has temporized and sought to preserve the original status while making a show of doing something for the recruits, there is likely to be considerable discussion and possibly several withdrawals."

**I** HAVE never felt that there was any attempt to deceive the non-Union companies which were persuaded to

companies at Saratoga, and Mr. Sage had to be "shown," as he stated that one reason why he was reluctant to support the movement was the fear that the Bureau companies would retire from the conference agreement, just as they had left the Union years back. I told him I anticipated that matter being referred to and I was prepared to meet his fears and said that I would ask Mr. James to support the explanation which I would make. My statement was satisfactory to Mr. Sage, endorsed by Mr. James, and from that time on, the joint conference agreement was assured.

I should like to pause here to give credit to Mr. Sage, without whose consistent and powerful support the agreement could not have been put over. And I would not like to have forgotten in this connection the tactful work of Chairman William S. Warren, and the influence of Colonel Halle. Later, Mr. Sage rendered invaluable assistance in the matter of clearing up the excepted cities and it is not his fault that the large cities committee is now faced with the task of rejuvenation.

**A**ND now, looking back over the 50 years of my connection with the business of fire insurance, I can truth-

### MOMENTOUS CHANGES IN 25 YEARS

*Observations on fire insurance covering a period of 25 years bring to light many interesting faces and events. There have been momentous changes since Jan. 1, 1897. In the managerial and official chairs at that time were picturesque characters, men of forceful personality, men of striking individuality. Business was not standardized as it is today. There was ample opportunity for initiative. The great managers of a quarter of a century ago were essentially business builders. They were strong with the agents. They were field generals. Their work was not mapped out for them as it is today. The business was not so complex or so highly organized. Mr. Sheldon in his reminiscences goes back to those early days when a letter from the manager to an agent meant much. Almost all the towering figures of the '80s and '90s were schooled in the field. They got business because of their industry, energy, popularity and marked character. There are a different set of problems engrossing managers and officials today. The men of yesteryear would hardly be fitted to grapple with the intricate underwriting questions of the present. A new brand of underwriting ability is required.*

take on Union membership in 1897. The steering committee of the Union, and the organization itself, were I believe sincere in anticipating that they could fulfill what they had promised, but as time went on it was apparent that they could not give the protection to the new members which was necessary. In 1912, when we were seeking to bring the Union and the Bureau together under the joint conference agreement, I had to explain this situation to that astute, long-headed and sometimes a little bit skeptical manager, Walter H. Sage.

It came about on this wise: The committee of ten appointed by the company organizations to consider the feasibility of a cooperative agreement held their initial meeting, and as was to have been expected, did not get along very well. Finally, Fred S. James suggested that a sub-committee be appointed which should report back some plan, if possible, to the larger committee, and Messrs. James and Sage for the Union, and Colonel Halle and myself for the Bureau, were named for this smaller committee. We had dinner together at the Union League Club and about the first thing which came up was the back-sliding of the non-Union

fully say that while circumstances and opportunity directed the way, I would now, voluntarily, select it for my profession and business.

Happiness and success are not measured only by the tape-line of financial prosperity. The years have been full of interest. The friendships formed will be lasting. The occasional words of commendation grateful and together, as one's years come swiftly on, are as "the shadow of a great rock in a weary land" to the tired traveler, who, refreshed, resumes his journey with renewed hope and vigor and exaltation of spirit.

**DAVID GRAYSON** in "Adventures in Contentment" has expressed some wonderfully beautiful thoughts. Listen!

"It is this way with the farmer. After the work of planting and cultivating, after the rain has fallen in his fields, after the sun has warmed them, after the new green leaves have broken the earth—one day he stands looking out with a certain new joy across his acres and there springs up within him a song of the fields. No matter how little poetic, how little articulate he is, the song rises irrepressibly in his heart and

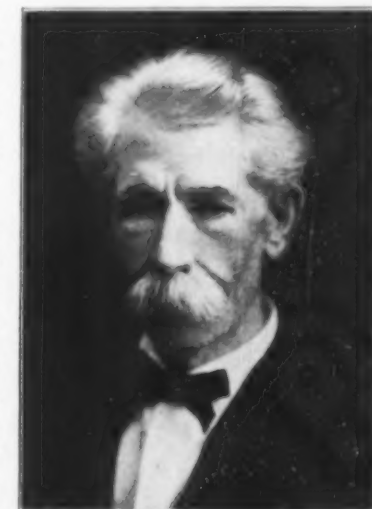
he turns aside from his task with a new glow of fulfillment and contentment. At harvest time in our country I hear, or I imagine I hear, a sort of chorus rising over the hills, and I meet no man who is not, deep down within him, a singer! So song follows work; so art grows out of life."

**I** THINK it must be ever so with men who love their employment and honestly strive. And at last we come to look upon life more sanely; with clear vision we behold the delectable mountains of Bunyan's dreams and enter into the spirit of those ever living words of the gifted genius, Channing, who in his "Symphony" admonishes us:

"To live content with small means; to seek elegance rather than luxury and refinement rather than fashion; to be worthy, not respectable, and wealthy, not rich; to listen to stars and birds, babes and sages with open heart; to study hard; to think quietly; act frankly, talk gently, await occasions, hurry never; in a word, to let the spiritual, unbidden and unconscious, grow up through the common."

### Diggins Oldest Employee

Harry M. Diggins, cashier of the Cincinnati office of THE NATIONAL UNDERWRITER, is the oldest employee in point of service in the institution aside from President Edward Jay Wohlgenuth. Mr. Wohlgenuth secured Mr. Diggins on a part-time basis when the Ohio Underwriter was established in 1897. At that time there was not much for a bookkeeper to do, so Mr. Diggins gave most of his time to the Cincinnati office of the Preferred Accident, where he was the cashier and bookkeeper. Later on when the work required his whole attention Mr. Diggins transferred his allegiance to THE NATIONAL UNDERWRITER and has been one of the factors in its growth. Mr. Diggins is a faithful, sincere, hard-working employee, who is endeared to all his associates. When THE NATIONAL UNDERWRITER purchased the residence at 420 East Fourth street, Cincinnati, for its present office building, Mr. Diggins personally looked after its rearrangement and readjustment. His work in that connection was done in a most intelligent manner.



**H. M. DIGGINS**  
Cashier Cincinnati Office, The National Underwriter



# How 'National Underwriter' Grew

BY WILLIAM S. CRAWFORD

**T**WENTY-FIVE years ago Edward Jay Wohlgemuth, young but experienced for his years decided to have an institution of his own. He started at Cincinnati such a paper as his training best fitted him to publish. His capital was small and the paper had to be small. He took a limited field as that was all he could cultivate in the thorough way he had in mind. He purposed to run his paper on business principles, giving value received, and not on a basis of "support."

**M**R. WOHLGEMUTH'S tastes and training up to that time dictated that he should conduct a newspaper and not a journal. He had reported for the "Indicator" of Detroit. He had been an insurance newspaper correspondent. He had solicited subscriptions, sold advertising and served as associate editor of the "Insurance Herald" under that master editor and writer, Young E. Allison. He admired the "Insurance Herald" and the daily insurance columns of the "Journal of Commerce" and of the Chicago "Record-Herald" and "Inter-Ocean." He had little respect for some of the papers that ran to opinion rather than news and nothing but contempt for those which were looking for "easy money."

**S**O The Ohio Underwriter, though published only fortnightly, was essentially a newspaper and especially a fire insurance newspaper, devoted to the affairs of one state. Without a news service or the money to pay for one, Mr. Wohlgemuth dug up the news himself as he traveled over the state soliciting subscriptions and advertising. Mingling daily with local agents, he knew what they wanted. He was not handicapped by the newspaper rule of making news colorless and expressing opinions in the editorial columns. He wrote the news with the "politics" in it, told what happened, why it happened, who made it happen and what motives actuated him. He had the boldness of youth and hesitated not to say what he thought. And he made one of the most readable insurance papers ever published and gave the insurance men of Ohio a local news service such as no one state probably ever had before or since.

I became connected with the paper in 1898 and I know that his efforts were appreciated. The men of Ohio were proud to have an insurance paper devoted to their own state, and they wrote news to him or came to the office to bring it. Concentrating on one state The Ohio Underwriter was able to secure advertising from many local companies, several of them mutual, which operated only in Ohio and never had considered advertising in papers whose circulation was spread over the country. It was reaching the Ohio agents and that was exactly what these little companies wanted to do.

**T**HE Ohio Underwriter was different from its contemporaries. They were of various kinds. Some were newspapers, for the most part attempting to cover the entire country. Many

had very little news service, but depended chiefly on the daily papers before mentioned, company bulletins and rewriting from each other. Some had as editors able and experienced insurance men who wrote with authority. The editors of others were good writers who could "swing a dirty pen" in the discussion of systems or institutions they did not like and ladle out the fulsome praise for their patrons, that is, those who supported them.

**I**T must be remembered that those were days of small things insurancewise, compared to the present. Values were small and scattered. Fire insurance companies were numerous and a large percentage of them were small and local. Legal reserve life companies were few, some very conservative, some progressive but handicapped by the operations of a few giants which drove hard and spent money freely. The

**M**R. WOHLGEMUTH could scarcely have selected a more propitious time for launching such a paper as The Ohio Underwriter. During the two years in which he wrote nearly everything except "Seen from Chicago," which went into its columns, fire insurance in Ohio was in a stage to furnish large amounts of excellent copy for one with his peculiar knack for commenting. The local boards were breaking down under the anti-compact law. The system of "advisory" rating by schedule was just coming in. The competition between union and non-union companies for preferred business was strong. A Cleveland firm with a fleet of light-weight companies was creating a disturbance in nearly every important city. The town in Ohio which had not a "situation" of its own was an exception.

In a little over two years the real pioneering work was completed. The

would consider a proposition to come to Cincinnati at all. Mr. Wohlgemuth finally decided to approach Mr. Cartwright and in May, 1899, he came to Cincinnati as managing editor and acquired an interest in the paper. That was a union of two men who supplemented each other.

**M**R. WOHLGEMUTH'S readiness to start things is illustrated in the case of the "Life Agents' Supplement," which he launched as a monthly a few months after Mr. Cartwright went to Cincinnati. Mr. Wohlgemuth knew the minds of insurance people only as those do who constantly travel among them. He knew that life agents really cared little about the news of their business unless it was of a kind they could use. He proposed as soon as it was reasonably possible to start a monthly paper for life agents giving salesmanship articles, "closing" arguments, stories of success, etc. This he started in a small way in 1899 but later it was discontinued. He developed and carried out the idea in "The Insurance Salesman" some years later.

**I**T took Mr. Cartwright but a few months to satisfy himself that Cincinnati was not the place for the publication office of an insurance newspaper. There was more fire insurance news to be had in Chicago in a day than could be secured in Cincinnati in a week. Mr. Wohlgemuth cherished the desire to go to college. The Western Underwriter was now going ahead steadily. Mr. Cartwright had become somewhat familiar with the business department, and in 1900 Mr. Cartwright took the publication office to Chicago. The business office was left in Cincinnati, with Harry M. Diggins supervising the accounting as he had done from the foundation of the paper, the business details and compilation of hand books in charge of subordinates and Mr. Cartwright supervising affairs by mail and occasional visits to Cincinnati. This was a clumsy arrangement, requiring much correspondence and reporting between the two offices, but there were sound business reasons for it.

I left The Western Underwriter at the end of 1899 and engaged in other business. During the summers of 1902 and 1903 I returned to get out the Ohio Hand Book and during the winters of those years I was a part-time correspondent of the paper at Cleveland. I am not, therefore, as familiar with the paper's development during those years as with its earlier history or what transpired after I became associate editor at Chicago in 1904.

**I**T is necessary to digress a little to take up certain events which had a marked influence on the development of The Western Underwriter. The relations between Mr. Wohlgemuth and the "Insurance Herald" were extremely cordial. He loved and revered Mr. Allison almost as a father. The "Insurance Herald" had pursued a remarkably generous policy in almost abandoning the Ohio field when he launched The Ohio

## DEVELOPMENT OF INSURANCE PAPER

*Mr. Crawford gives herewith a closeup view of THE NATIONAL UNDERWRITER and some of its staff. The great change in insurance newspaper work was due largely to the introduction of daily newspaper principles into trade newspapers. The insurance papers in the old days were composed largely of editorials, write-ups or write-downs, a few feature articles and some statistics. The editors did not measure news values as they do today. The modern insurance newspaper is a very close replica of the big modern daily papers. It is not only a newspaper but it is a service institution. It answers questions. It presents educational features. It has various departments devoted to the case of this man and that. In fact the modern insurance paper aims to give everything that an insurance man wants to know about his business.*

surety business was a little affair, mostly represented locally by lawyers and bankers. A few lines of casualty business were developed to a limited extent and others which are now great were not even dreamed of. The volume of casualty and surety business was about a twenty-fifth of what it is now.

The business of most of the agents was small. I recall that about that time one prominent Ohio agency reported for taxation \$37,000 in premiums, mainly fire, for a year. In 1920 that agency did \$650,000 in casualty and surety business alone, and it is mainly a fire agency.

**T**HE companies had a wrong attitude towards advertising. Relatively few looked upon it as an investment to yield returns. Many regarded it as a method of giving money to insurance papers for past favors or present support or to keep them quiet. Holding such views, the majority got off with the smallest fines possible. Not looking for returns, companies generally gave little thought to the preparation of advertising copy, using old stereotyped forms that could not excite much interest. Not infrequently advertisements contained figures from statements three years old and the names of officers who were dead.

The insurance journalism of the day was good, bad and indifferent and was about what the insurance business was paying for and was entitled to.

new paper had gained a strong foothold in Ohio, had absorbed "Black and White" of Chicago, had added Michigan to its field and in the spring of 1899 had become a weekly and changed its name to "The Western Underwriter." That change of name, by the way, brought some protests from Ohio agents.

**S**O far the enterprise had been a "one man proposition." Some others were employed, but mainly in a clerical capacity or in the compilation of hand books. The time for an important change had come. It was impossible for one man longer to carry the entire editorial load, supervise the business department and actually get most of the business. For some months Mr. Wohlgemuth had been debating the question whether he should attempt to get C. I. Hitchcock, insurance editor of the Chicago "Record-Herald," or C. M. Cartwright, insurance editor of the Chicago "Inter-Ocean," as editor. Mr. Hitchcock was the senior by some years in point of service, had greater prestige and a wider acquaintance and had a valuable string of papers for which he acted as correspondent. Mr. Cartwright had made great progress in a few years as an insurance editor and Mr. Wohlgemuth regarded him as a "comer." He had great admiration for both these men, but he had to consider the financial side and he questioned whether he could meet the terms Mr. Hitchcock would demand, even assuming that he

Underwriter, while The Ohio Underwriter paid no attention to the southern field in which the "Insurance Herald" was supreme.

In 1899 the stock control of the "Insurance Herald" changed hands, and Mr. Allison and his associates started the "Insurance Field," but the relations between that paper and The Western Underwriter continued cordial and each largely kept out of the other's field. In 1903 Mr. Allison returned to daily newspaper work and C. I. Hitchcock was secured as editor and publisher of the "Insurance Field." He readily saw that the territory north of the Ohio was better both for news and business than that to the south. Furthermore, his friends were mostly in the northern territory and he would have been recreant to his own institution if he had not capitalized that friendship. He began publishing more local news from what had been The Western Underwriter's field and he began active solicitation for circulation and advertising in that field and also in the states west of the Mississippi.

**W**HEN Mr. Cartwright moved the publication office of The Western Underwriter to Chicago in 1900, he began developing news and circulation in Illinois and Wisconsin. He was virtually alone at the Chicago office, but was able to maintain for the paper a good lead over its competitors in the matter of news in its own territory, and do this at comparatively small expense, but when the "Insurance Field" invaded that territory a more aggressive policy became necessary. The two papers were on friendly terms and for a time exchanged news, but this arrangement had to be discontinued as the competition in the north became more active.

During this period The Western Underwriter developed fast but the growth involved a material increase in expense. Many correspondents were employed and they were instructed to use the telegraph freely. It was a period of big news. The Baltimore conflagration occurred in the spring of 1904, followed by the 25 per cent flat advance in rates and the introduction of analytic rating throughout the West.

**I**N 1905 came the Armstrong investigation of life insurance companies in New York, followed by a vast amount of life insurance legislation throughout the country and the promotion of new life companies. In 1906 the San Francisco conflagration occurred and the amount of news which followed it was immense and expensive, while advertising took a jump as companies hastened to assure agents that they were sound notwithstanding the disaster. Circulation was stimulated also. I recall an afternoon when Mr. Cartwright brought in the list of Springfield Fire & Marine agents in the Western department—about 3,700 at that time—to all of whom the company had ordered The Western Underwriter to be sent for three months.

The casualty and surety business had also become a source of considerable news. Many surety companies had been organized and engaged in the death struggle for business at inadequate rates. There was no cooperation among the liability companies and they



*the insurance papers paid but little attention to casualty news and the surety companies and their affairs hardly got a look in. Mr. Crawford began a study of the surety business. He is capable now of writing a text book on suretyship. His presentation, not only of the news but the educational, statistical and selling side of casualty insurance and surety bonds undoubtedly had much to do with awakening the interest of local agents in these lines. Mr. Crawford is one of the most earnest and sincere writers in the realm of insurance newspaperdom. He has most rigid standard of right doing. He is a hater of sham and pretense. It is not in Mr. Crawford's nature to deceive or misrepresent. He has done much to inculcate truth and honesty in the writing of insurance news. He occupies today the premier position in daily insurance newspaper work in the country. He has a wide acquaintance with insurance men and enjoys their implicit confidence.*

*It is eminently fitting that William Sterling Crawford of New York City, the distinguished and highly esteemed insurance editor of the "Journal of Commerce and Commercial Bulletin" should appear in an anniversary edition of THE NATIONAL UNDERWRITER. Mr. Crawford in street parlance, "knew it when." In the early days of the old "Ohio Underwriter," when it was holding forth in the Aetna building at Cincinnati, Mr. Crawford was seeking a position and became associated with the publication. For a number of years he held an important position on The National Underwriter, being one of the chief editorial men on the paper. Mr. Crawford has the distinction of developing a casualty and surety news department. He specialized on this work when he was associate editor of The National Underwriter. At that time*

were cutting rates while the cost of settling claims constantly grew higher. The accident and health companies were industriously trying to take the profit out of their business by liberalizing policies and increasing benefits with no increase in rates. The agents were virtually running the plate glass business and running it into the ground.

**W**HEN The Western Underwriter's publication office was moved to Chicago the "Life Agents' Supplement" was merged into the big paper as a colored supplement to one issue each month. So far as I know that was the first of the educational supplements which are now so common.

Mr. Wohlgemuth returned to Cincinnati in 1905, and took a general supervision over the business department, though for some time he was giving much attention to other interests. George W. Wadsworth, who had started as an office boy at Cincinnati in 1899, had developed rapidly. In 1905 he visited the Chicago office. Up to that time, The Western Underwriter, like other insurance papers, had carried its advertising on the covers and in solid pages in the front and back. Mr. Wadsworth and I discussed the advantage of running advertising along side of reading matter. We favored the plan and the next week when I made the paper up I rearranged the advertising on the back pages and put some reading matter on each of them. Mr. Wohlgemuth, however, had this discontinued, as he had much larger changes in view.

**H**E purposed having the paper look like what it really was—a newspaper. Accordingly, with the first issue of 1906, it came out in a new dress. The covers were discarded. Instead of three broad columns, each page had four columns of what was then standard news-

paper column width. While the editorials had formerly occupied the first page of reading matter, they were put into the middle of the paper, and the most important news started on the front page. There was reading matter on every page except the back one.

As indicating how the paper has grown since, I may say that it was believed then that by running all the "every other issue" advertising at one time the paper could be held to twenty pages on that issue and to sixteen pages on the alternate week. This lasted about three months. Then came the San Francisco fire.

It was in 1907, I think, that Mr. Wadsworth moved to Chicago, bringing up most of the business office and thus greatly facilitating work by having both departments under one roof. The Western Underwriter confined its work then mainly to the Western Union territory.

**A** YEAR or two later The Western Underwriter put on a casualty and surety supplement. By strange coincidence the "Insurance Field" did the same thing the same day. It is my belief that those two newspapers exerted a very powerful influence in developing the casualty and surety business in the West and South. Analytic rating was causing fire rates to come down from the high point reached when the 25 percent advance was put on in 1904. The city brokers were getting some of the agents' best lines and large risks were being sprinkled. The local agents were feeling the results of these changes and looking for ways to recoup their losses in income. Meanwhile the two leading middle western papers were pointing out constantly the opportunities offered by the casualty and surety branch.

About 1910 Mr. Wohlgemuth saw in fire prevention a big movement and started a monthly supplement to The Western Underwriter devoted to that subject. In 1912 this was enlarged into a new publication, "Fire Protection." Later the same year a run-down monthly paper, published in the East in the interest of the monthly-premium accident and health business, was purchased and made into the "Casualty Review."

**T**HE expansion in territory and in the news service of The Western Underwriter had really been greater than the increase in advertising warranted. The paper was now so large that it was losing money on subscriptions, while the adding of new publications not yet on a paying basis was a drain upon it and the problem of getting more advertising became serious. Notwithstanding its prestige in the west it was not very widely known in the East and officials of some of the leading companies made the fact that it was a "sectional" paper, as they called it, an excuse for refusing to advertise in it except in a very limited way. This was narrow minded on their part, but the paper had to consider their attitude. Accordingly, more attention was given to Eastern news and The Western Underwriter became THE NATIONAL UNDERWRITER. Personally I was sorry when the change came, but it was a good business move, for the paper has made great strides since.

**I**N 1917 I left THE NATIONAL UNDERWRITER. I want to mention one very important change made since that time which in my opinion was one of the best things the publishers ever did. That was the "splitting" of the paper into a fire and casualty edition and a life edition. For some years I had favored that change, as I saw the fire and casualty branches growing closer and the life business going more into the hands of specialists. Aside from the waste of giving people something they do not care for, there is a peculiar psychology in many persons that makes them prize the more what they do want if nothing superfluous is thrown in.

**A**S I look back to the small beginning and follow the development of THE NATIONAL UNDERWRITER, I conclude that one strong reason for its success is the fact that from its first issue it has been in the hands of men in intimate touch with the men in the business, especially the agents. Its editors knew how insurance men think and were able to give them what interested them. During its entire history it has avoided reprint and rewritten stuff to a remarkable degree. It got most of the news from original sources, though the dailies necessarily often published it before a weekly could do so.

Neither Mr. Wohlgemuth nor Mr. Cartwright ever expected that his editorials were going to change the course of the insurance business. They did not expect greatly to influence the opinions of company executives directly. As soon as the paper had gained a good circulation it had the means of influencing them indirectly by giving the agents the facts in a news story. If the agents'



interests were affected the home offices soon heard "the master's voice" from the field.

I CANNOT let the opportunity pass to say a few words about a man with whom I worked steadily in delightful association for thirteen years. Mr. Cartwright is a hard disciplinarian—of himself. As an editor he was stricter in giving assignments to himself than to his assistants. He gave few instructions but he set an example of hard, steady work and large output that no subordinate could disregard. He values time more than any other newspaper man I have ever known. He can be patient with people who make mistakes but not with those who are lazy. He has good judgment on what to print and what not to print. He knows how to keep confidences. He hates squabbles. He would have made a snappier paper if he had liked a fight better; but he would probably have accumulated libel suits also.

Few men are more widely known or have more friends in insurance circles than Mr. Cartwright. Few have given as many others a boost when they needed it. To the disgust of some he has refused to shove over the brink weak concerns that were tottering, but has given them a little encouragement if he could and has lived to see many of them grow strong. He has been too forbearing at times, but his errors in this direction sprang mainly from the kindness of his heart.

THE quarter century in which THE NATIONAL UNDERWRITER has grown to its present importance has been wonderful changes in the insurance business. Most of the little companies have either grown large or passed away. Of course, there are always infant institutions which are small, but few of them can remain so for a very long time. Cooperation has largely supplanted deadly competition. Companies of every class have devised new ways of serving the public. A very important part of this service has consisted in taking measures to prevent the contingency insured against, instead of letting it happen and paying the indemnity. Multiple lines have succeeded single lines. Agencies have combined and become aggregations of specialists handling large volumes of business and giving valuable expert service. Things done in a small way in 1897 are done in a big way now. The narrow spirit of looking out for one's self and putting obstacles in his competitors' way has given place to a broader view, and companies, field men and agents exchange information, contribute to the general good of the business, cooperate with the insurance commissioners and work upon the principle that each will get his share of the benefits accruing to the entire business.

THE journalism which serves a business and is supported by it must develop with it. Generally speaking, the papers which have flourished most have either expanded with the growth of insurance or they have selected certain features or certain localities and specialized.

Advertising has come into its legitimate place either as an expenditure intended to bring returns or as an expenditure for the support of a valuable service rendered to the business—much

## Life Underwriting Today Put On Much Higher Plane

By JOHN L. SHUFF



*John L. Shuff of Cincinnati, home office general agent of the Union Central Life and president of the National Association of Life Underwriters, acknowledges that he is one of the greatest advertisers in the country and does not hesitate to say that he has gained much through scientific advertising. Mr. Shuff says that in his early days he wore red socks and this attracted attention. It gave him his first idea of publicity and advertising. Here is a man of varied personality. He is a dynamo of energy. He is a jumping-jack, a wizard, a ladies' man, a music lover, a politician, an administrator, a good mixer, an optimist, the embodiment of cordiality and good cheer and a whole lot of other things. Mr. Shuff as a humble worker in the ranks obtained distinction as a producer.*

*He got to see men in spite of "hell and high water." He never took "no" for an answer and he could never be rebuffed. He felt there was much good in the association movement and he got into it on all fours. He is one of the best known life insurance men of the country and has impressed all with his remarkable personality. He served as postmaster of Cincinnati, is a southerner by birth and education and a Democrat.*

I HAVE just learned that THE NATIONAL UNDERWRITER is celebrating its 25th anniversary and I reflect with delight on the fact that I was at that time the intimate friend of President Wohlgemuth and sympathized with him but admired his nerve in starting an insurance journal in Cincinnati. For years my interest in the success of same was most personal and I have watched its growth with sincere interest and pleasure.

less than in the past for the support of a good fellow.

With advertising placed in the hands of trained publicity men whose duty it is to study the subject and spend their companies' appropriations in the most advantageous way, the outlook for really useful insurance papers is improved. These publicity men will make some mistakes, such as trying to gauge the value of mediums by general rules, but notwithstanding some errors, the legitimate, useful paper will come nearer getting proper recognition than when indifference to the whole subject of advertising was widespread.

I LOOK for more changes among the papers. I believe that some of those which now in a weak, unsatisfactory way try to be general will see the wisdom of devoting their attention to one or two states, serving the business well in those small fields and building up a concentrated circulation, the value of which will be apparent to the advertising men of the companies.

With fire companies and their running mates writing virtually all lines except life, the time will come when

The Western Underwriter, as it was known in other days, and THE NATIONAL UNDERWRITER now have always been a great factor of helpfulness to all life underwriters, giving in every issue information that was of value to the thinking and working agent.

TWENTY-FIVE years ago the agent producing more than \$100,000 was in a good class. When he got in a quar-

ter the advertising managers, in addition to getting publicity for all lines everywhere, will advertise special lines in individual localities. If the paper in Iowa or Minnesota at a small expense can reach as many hail agents in those states as a paper of general circulation would reach at a much greater expense, the value of the local paper will be evident.

BUT hard, conscientious, capable work must be done on all of these papers to justify their existence. The time has about passed when one man working a few hours a day part of the time, rewriting and using the shears and pastepot, can turn out a paper that will furnish him a good living, if only he is the friend of a few influential company officials. It lies with the companies themselves to make that day a memory. But they will make a mistake if they undervalue or refuse to recognize the services rendered to the business by papers to which men of real ability are giving the very best that is in them, even though these papers do not attain the prominence of their great contemporaries.

ter of a million production for the year it was excellent, and positively rare that man who sold \$500,000 for the year. The business was really in its infancy. The average man was knocking the other agent and the other company. Through the National Association of Life Underwriters and the local associations we are trying and believe have succeeded to the nth degree in eliminating twisting, backbiting and destruction of the foundation of our business.

THE writer has visited every state in the Union save five this year and I have met the cream of the world, as I see our leading general agents, managers and solicitors; and the thing that impresses me the greatest is the standing socially, financially and otherwise of our leading life insurance agents in their communities. They are the leaders of social work and service to their fellow-man.

Twenty-five years ago it required strategy to get in to see a big man of affairs. Today the only requirement is your name or a card to get anywhere. Our business, which was peddling twenty-five years ago, is a profession today and the agent, who is worth while, is an advisor—closer perhaps to the client than the doctor or even his attorney, so I revel and rejoice at the improvement in business and I feel that the agents are just beginning to realize their personal responsibilities and the duties they must perform to their several communities and, also, the happy privilege that they have of being able to interview any or everybody.

A QUARTER of a century is a long time to anticipate as to the future but indeed a short time to have passed through. Yet think of the history that has been made in America or the world—some of it very distressing but the world is better. The opportunities for ability in our business are 200 percent—yea, 300 percent greater than 25 years ago, and the opportunities were never so wonderful for a man who has enthusiastic energy and real intelligence.

The next 25 years are going to make an examination of an insurance agent as complete as those for a man to practice medicine or a lawyer to be admitted to the bar; hence I am happy and hopeful as to the future.

ONE great thing is the unity in which the heads of the companies are operating and they realize that the destruction of one company or the impairment affects them; when they were delighted 25 years ago to steal one another's agents and a few other things that we would not tolerate today. That means a higher plane of ethics that the world will recognize and reward.

I extend my greetings to President Wohlgemuth, to Managing Editor Cartwright, who I recall came to this journal a raw recruit—very raw. I have been happy in our friendships and indebted for many courtesies. We try to take all the publications of all the good organizations and this is the fountain from which we drink constantly.



# Local Agents' Great Organization

BY JAMES L. CASE

ON the walls of the office of the secretary-treasurer of the National Association of Insurance Agents hangs a small, but suitably framed, sheet of writing paper, bearing the imprint of the Great Northern Hotel of Chicago. In a clear, bold hand are written the following names under the heading "Original Members of the National Association of Local Fire Insurance Agents."

1. W. G. Strickland, Covington, Ky.
2. Western Bascome, St. Louis, Mo.
3. A. G. Simrall, Covington, Ky.
4. James P. Drew, Kansas City, Mo.
5. R. S. Brannen, Denver, Colo.
6. John A. Bryant, Kansas City, Mo.
7. Milo E. Lawrence, Kansas City, Mo.
8. Alfred Pirtle, Louisville, Ky.
9. A. H. Robinson, Louisville, Ky.
10. F. A. Thompson, Denver, Colo.
11. Merwin Jackson, Toledo, O.
12. A. A. Doolittle, St. Paul, Minn.
13. C. M. Lang, Toledo, O.
14. T. H. Hawkes, Jr., Duluth, Minn.
15. B. L. Baldwin, Omaha, Neb.
16. D. H. McCarthy, Dubuque, Ia.
17. J. Wachenheimer, Peoria, Ill.
18. George D. Markham, St. Louis, Mo.
19. Thos. L. Fekete, East St. Louis, Ill.
20. C. H. Woodworth, Buffalo, N. Y.

TO many this particular sheet of letter paper has but little or no meaning, while to thousands of local agents from coast to coast and from Canada to the Gulf, it is a priceless treasure, and we of today look back to that little group of men with pride and respect.

Because of the vision they had that September day in 1896, an association was formed which was destined in future years to exert a most powerful influence for good upon the insurance business of the country.

THE name of Robert S. Brannen of Denver will ever be remembered with the most sincere affection for it was in his mind that the vision of a National Association first had its birth and he it was who called together the "Immortal Twenty" for the organization meeting on Sept. 30, 1896.

"Bob" Brannen was a native of Troy, N. Y., but at the age of 23 years moved to Denver and entered the banking business. In 1865 he bought an interest in a local insurance agency and a few years later formed the firm of Brannen & Kellogg.

AT the time of the organization of the National Association Mr. Brannen is quoted as saying: "The troubles of the local agents are largely of their own making and they may be greatly overcome by associated efforts, which will permit a more friendly and brotherly feeling among the fraternity. It should be the local agents' aim to correct their own irregularities before criticizing the companies too severely for their shortcomings as these are largely brought on by irresponsible agents who

disregard the ethics of the profession, as the business man's credit depends largely upon the proper and correct methods of his business. As insurance agents are nothing more than a respectable class of business men, they should establish a like standard of government for their own business."

Mr. Brannen was elected the first secretary of the National Association and held the position for three years. He died March 8, 1906, having lived long enough to see the organization he had founded well established.



James L. Case of Norwich, Conn., president of the National Association of Insurance Agents, is one of the best known local agents in the country. He came into prominence at the St. Louis convention of the National Association when E. M. Allen was chosen president. Mr. Case represents the best in the American Agency System. In his make-up he has embodied many of the noble traits of New England. His honesty is of the rugged, unvarnished type. He believes in the cause and is able to champion it with enthusiasm. Mr. Case became a member of the National executive committee during Mr. Allen's administration. The chairman of the executive committee was Fred J. Cox of Perth Amboy, N. J., who followed Mr. Allen in the presidency of the National Association. When Mr. Cox was chosen president he realized that he had a tower of strength in Mr. Case. Mr. Case had demonstrated his ability, his vigilance, his splendid judgment and his fine vision as a member of the committee. He was not afraid to work. Mr. Cox, therefore, went no further when it came to appointing the chairman of the executive committee. Mr. Case redoubled his efforts, put in more hours and performed the hard task as chairman. He had many problems to solve, as head of the organization he has developed. In assuming larger responsibilities he has become a larger man. Mr. Case by nature is a thorough gentleman. In mind and in heart he is clean. He has contributed much to the agency cause in this country.

THE earlier years of the association were largely given over to the organization of local boards and the formation of state associations, and an endeavor to interest local agents in a movement that would bring the insurance interests of the country into closer harmony.

During these years the association succeeded in securing the recognition of the right of the local agent to the ownership of the expirations of the fire business which he placed upon the books of a company, and this principle is today recognized by practically all of the leading fire insurance companies of the country. Twenty-five of the casualty and surety companies have since endorsed a similar principle as applied to the expiration of casualty and surety business.

Anti-rebate laws and agency qualification laws were formulated during this earlier period, and a constant endeavor was made by conferences and conventions to develop interest, power

and efficiency in local, state and national organizations.

THE national office, which was first located in Chicago and later in Boston, was moved to New York in 1918 and the most up-to-date business methods adopted.

The association in October, 1918, opposed with all its united power, the rumored attempt of the federal government to enter into the insurance business.

A system of self-graded dues was adopted whereby sufficient working

by having a reasonable knowledge of the insurance contracts he is to sell; and fourth, by having a reasonable knowledge of the insurance laws of the state in which he is to operate.

IN Richmond, in 1920, the association adopted what is known as the "Richmond Declaration," and which is a protest against the further extension of the appointment of banks and banking institutions as insurance agents. This principle has been recognized by the vast majority of insurance companies since that time.

Today the National Association is composed of forty state associations with a membership of approximately 10,000 members. Each state association is in turn divided into local boards, and the local boards are composed of local agents.

A very large increase of casualty business throughout the country in recent years has given the National Association an opportunity of developing another field of useful service to its members, and by means of close cooperation and conference with the casualty interests of the country, a most harmonious relation now prevails.

THERE are many problems which the insurance interests face at the present time, and the local agent is an important factor in the solution of many of them. With the increased opportunities there is a proportionate increase in responsibility.

Efficient, dependable service is the ideal for which the National Association stands today, and it is using every legitimate means within its power to influence its members to recognize the fact that success can only be attained by giving it. In proportion as this result is accomplished, the relations between the companies, the insuring public and the agents will become greatly strengthened. World conditions demand it; the insuring public needs it; the agents and the companies desire to give it.

DURING the twenty-five years of its existence the National Association has had but five secretaries. As has been stated in foregoing paragraphs, "Bob" Brannen served from September, 1896, to 1899. Frank F. Holmes of Chicago succeeded him and filled the office for five years from 1899 to 1904.

Henry H. Putnam was the third secretary and his service covered from 1904 to 1918. He was the publisher of "Monthly Journal of Insurance Economics," and brought to his new position a mind well trained in matters of insurance underwriting. Mr. Putnam assumed the additional duties of national treasurer and continued as editor of the "American Agency Bulletin," which journal he published for a year preceding his election as secretary-treasurer in 1904.

CHAUNCEY S. S. MILLER succeeded Mr. Putnam as secretary-treasurer and editor of the "Bulletin" in February, 1918, and the enthusiasm he

funds were obtained to make possible the increased work under increased expenses.

RECENT administrations have realized the value and necessity of conference and cooperation, and as a result of this particular endeavor, conference committees have been appointed by the National Board of Fire Underwriters, the Insurance Commissioners Convention, and the National Bureau of Casualty and Surety Underwriters, so that the conference committee of the National Association has at all times an opportunity of conferring with these different bodies upon subjects which are of vital interest to the insurance business.

The National Association has always stood for efficient, dependable service, and a model agents' qualification law was adopted by the Los Angeles convention in September last. It provides that a person desiring to become an agent should be fitted, first, by character; second, by business ability; third,

brought to these positions soon began to show results in an ever expanding program of activities. With new plans and new methods the membership began to increase and a field of useful service was rapidly developed. Mr. Miller had been for years in close touch with the local agents in various sections of the country and this experience was of great benefit to him and to the association. During his two years of service much progress was made and at the time he transferred the affairs of his office to his successor in 1920, the National Association was a well recognized factor in the insurance world.

Walter H. Bennett of Quincy, Ill., succeeded Mr. Miller and became secretary-treasurer on June 1, 1920. Mr. Bennett was for several years fire marshal of Illinois, a position he filled with distinction. A lawyer by profession, a keen student of business affairs, an able executive, all combine to qualify Mr. Bennett for the important position he occupies at this most important time.

THE "American Agency Bulletin," the association's official organ, has been a large factor in the success of the association. Mr. Putnam and Mr. Miller served as editors during their respective terms as secretary-treasurer, but in 1919 the duties of both offices became too exacting to be held by one person and accordingly William E. Underwood, who for a year and a half had been a part time assistant to Mr. Miller, assumed full control of the editorial department of the paper. Mr. Underwood in accepting the position, suspended the publication of the "Insurance Critic," which he owned, and gave to the "Bulletin" the full benefit of his long and valuable experience as an insurance journalist. His editorials were read from week to week and month to month by thousands of agents and company officials throughout the country and the "Bulletin" became almost "over night" a most important National Association asset.

After resigning his position in February, 1922, Mr. Underwood again took up the publication of the "Critic." Since that date the "Bulletin" has been published under the direction and supervision of the secretary-treasurer.

THE association has had eighteen presidents since it was organized and of this number sixteen are living and are enthusiastically interested in its welfare. Of the twenty original members, A. G. Simrall of Covington, Ky., A. H. Robinson of Louisville, Alfred Pirtle of Louisville, Jacob Wachenheimer of Peoria, Ill., George D. Markham of St. Louis, and C. H. Woodworth of Buffalo, N. Y., all maintain a more or less active interest in present day affairs and activities. Of these Messrs. Robinson and Markham are regular attendants at both midyear and annual meetings and their advice and counsel are always given most thoughtful consideration. Perhaps "the grand old man" of the National Association is C. H. Woodworth of Buffalo, who, until recent years, was not only a regular attendant, but "a power behind the throne" in National Association affairs.

If one will read the records for the

first twenty-one years he will find the name of "Woodworth" on almost every page and many friends join in the hope that health, prosperity and contentment may be his for years to come.

I WOULD that I had time and space to mention others, for during all these years the National Association has been most fortunate in having the support and interest of many of the most influential local agents in the country and the names of Geer, North, Tapping, both Charlie Wilsons, Pellet, Offenhauser, Beardsley, Gunther, Neale, Southgate, Hildreth, Roth and many others are closely identified with its success. These men and their associates laid the foundation for the work which has been conducted during recent years and they will long be remembered. Many of the problems which they faced have long since been solved, but the work still continues and the administration of to-day still "carries on."

SPECIAL mention must, however, be made of E. M. Allen and Fred J. Cox as the two presidents under whose leadership the association's affairs were conducted from April 1917, to September, 1921. Ed Allen and Fred Cox demonstrated what real team work can

accomplish and especially when an organization can demand and secure "the cooperation of every blooming soul." What they did is now a matter of history and I am but expressing an almost unanimous sentiment when I state that because of what they did, because of what they gave, because of what they planned, and because of what they and their associates accomplished, the National Association of Insurance Agents stands squarely in the public mind today as an organization "that actually supports right principles and opposes bad practices in insurance underwriting."

May it always maintain this high ideal, with ever increasing power, to the end that the closest possible relationship may permanently exist between the public, the companies and the agents.

#### Advertisers in First Issue

The first issue of The Ohio Underwriter was dated Feb. 4, 1897. There were 16 pages. On the front cover were advertisements of the Cincinnati Insurance Company and the Security Trust & Life of Philadelphia, both of which have gone out of business. On the second page was the advertisement of the Guarantors Liability Indemnity of Phil-

adelphia, which is no longer in existence. The only other advertisements in the paper were the Inter-State Casualty of New York, which has gone out of existence, the Ohio Farmers of LeRoy, O., the Phoenix Mutual Life and the Mutual Life of New York.

## When Typewriters Were Still Novelty

THE first typewriting machine used in an insurance office in Chicago was found in the Western department of the Springfield Fire & Marine, the last part of 1875 or the first month of 1876. The department had been opened with Maj. A. J. Harding as manager. A. F. Dean, who had been associated with Major Harding in the Civil War, the two becoming fast friends, was called in to be his assistant and to take charge of the accounting department. In those days the men in the office discharged all kinds of duties.

Major Harding and Mr. Dean were walking along State street one day and stopped at a window to look at a new fangled machine, which was a crude typewriter. There were specimens of its work on exhibition. Mr. Dean remarked to Major Harding that if the machine did not cost too much it would be a great advertisement to have it in the western department of the Springfield. Agents would be greatly impressed in getting the typewritten letters, in his opinion. Major Harding was rather skeptical as to whether anyone in the office could use it. He told Mr. Dean that he thought it would take about a month for anyone to become proficient in its use. Mr. Dean told him that he believed he could master the apparatus in a week.

A typewriter was purchased at a cost of \$130. When it was in action it sounded very much like a threshing machine. Naturally when it arrived at the Springfield Fire & Marine office there was much interest and curiosity. Mr. Dean spent his evenings and spare moments in learning the keyboard and fingering out letters. However, in the allotted time he was found to be a very good typist. The letters sent out by the Springfield, as predicted, caused much interest. Some of the agents notified the office that it was not necessary to go to the expense of having letters printed, as they could read those that had been written by hand.

In the first issue of the old Ohio Underwriter, 25 years ago, the work of the special committee to formulate the program for the semi-annual meeting of the Western Union, of which R. J. Smith was president, was spoken of. The committee consisted of W. S. Warren, Liverpool & London & Globe; W. J. Littlejohn, North British & Mercantile; J. Montgomery Hare, Norwich Union; Law Bros., of the Royal; John S. Belden, London & Lancashire; John H. Washburn, Home of New York; J. F. Downing, North America; Eugene Cary, German-American; A. J. Harding, Springfield; J. W. G. Cofran, Hartford; Eugene Harbeck, Phenix of Brooklyn; H. M. Magill, Phoenix of Hartford; Fred C. Bennett, Aetna; George T. Cram, American Central; Fred S. James, of the National.



Original members of the  
Natl Assn Local  
Ins Ins Aft 1896.

W. E. Strickland	St Paul Minn.
Walter Bascom	Chicago, Ill.
J. G. Simrall	Covington, Ky.
James P. New	Kansas City, Mo.
R. S. Brannan	Denver, Col.
John A. Bryant	Kansas City, Mo.
Wm. E. Laurence	" "
Alfred Pirtle	Louisville, Ky.
A. H. Robinson	" "
J. A. Thompson	Denver, Col.
Wm. Jackson	Toledo, Ohio.
A. A. Bodette	St Paul, Minn.
E. M. Laug	Toledo, Ohio.
J. H. Hawkes Jr.	Duluth, Minn.
B. L. Baldwin	Omaha, Neb.
W. H. M. Carthy	Dubuque, Iowa
J. Wachenheimer	Peoria, Ill.
Geo. D. Markham	St Louis, Mo.
Shos. L. Fickett	East St Louis, Ill.
C. H. Woodworth	Buffalo, N. Y.



# The Evolution of Life Insurance

BY WILLIAM ALEXANDER

SOME of my contemporaries are certain that the earth is flat and immovable. And William Jennings Bryan imagines that he has exploded the theory of evolution as far as it relates to the animal kingdom. But we all agree that there is movement and evolution in the business world. And there is no more conspicuous example of it than in the life insurance field.

The oldest life insurance company in the United States is the Presbyterian Ministers' Fund, incorporated in 1759. But as its insurance is on the lives of clergymen exclusively, it is inconspicuous as compared with the great companies doing a general business that were organized at later dates. However, I have a feeling of profound respect for that venerable institution; for my mother, who became a widow when I was 10 years of age, was supported in part by a life annuity based on my father's insurance in that company. Without that annuity my mother could not have sent me to college. And my college education gave me my start in the life insurance field. But this is by the way.

IT was not until the nineteenth century was well on its way that the American companies that have grown so great were established. And those companies at first followed timidly and cautiously the usages of Great Britain, where the business had been developed along scientific lines.

The American companies conducted the business in accordance with sound principles, but development was slow; for many dangers and difficulties were encountered which tended to retard the popularity of life insurance. The instinct of self-protection prompted the companies to restrict the movements of their policyholders; to deny them privileges which might prove expensive, and to so frame the insurance contracts that in case of any dispute the interests of the companies as distinguished from the interests of their policyholders would be safeguarded.

IT was not long, however, before the officers of these American companies began to have a broader vision; began to think and act for themselves; began to recognize the vitality of the life insurance principle. They began to see that to stand still would mean retrogression, and that progress was only to be made by pushing actively forward. Then it was that evolution really set in, and the genuine progress of life insurance began. Then its astonishing development in the United States became rapid and significant.

The policy contracts were simplified; the restrictions on residence and travel were removed, and the companies vied with one another in extending new and valuable benefits to their policyholders. New plans of insurance were devised to meet the varying needs of the people. New channels were opened up. New needs for insurance protection were revealed, and new contracts were devised to satisfy those needs.

THE result of all this was that the insurance business in the United States increased with astonishing rapidity, and extended in every direction throughout the length and breadth of the land, until finally the influence of the World War, and the great influenza-pneumonia epidemic that swept over the United States in 1918 and 1919, impressed upon our people the uncertainty of life and the devastating influence of the financial losses following in the train of death. After that the growth of the life insurance business was more rapid than it had ever been before. And during the years of inflation that came immediately after the close of the war this rapid advance continued.

cash which his executors may not be able to provide.

It is no figure of speech, therefore, to claim that our life insurance companies are public-service institutions, and that the more rapidly their business is extended the sooner will our nation become a body of thrift-loving, prosperous citizens.

WHEN the American companies were young and inexperienced little care was exercised in the selection of agents, and many incompetent men entered the field whose blunders were more conspicuous than the good work done by their intelligent associates. So the public got the impression that the



*William Alexander has been secretary of the Equitable Life of New York since 1880. Aside from his duties in connection with the administration of its affairs as an executive officer, he has had general supervision over all work of a purely literary character.*

*For years he has contended that the life insurance agent must be a trained expert, and he has been chiefly responsible in the past for the insurance education of the Equitable's field forces, and has been instrumental in building up a strong educational department under the supervision of Dr. John A.*

*Stevenson, supplemented by the excellent work done by Dr. G. B. Van Arsdall as a teacher of insurance salesmanship.*

*Mr. Alexander is a frequent contributor to the insurance journals and has written a number of books, many of which are designed expressly for the instruction of field men. His mastery of literary style, combined with a knowledge of life insurance which is surpassed by few if any men in the business, has made his contributions to insurance literature especially noteworthy and valuable.*

*Mr. Alexander is editor, and A. H. Reddall is associate editor of "Agency Items," the Equitable's popular weekly journal.*

WITH the period of reconstruction which began in 1921, this progress was momentarily arrested; but already there are indications that hereafter the advance will be even more astonishing. There are substantial reasons for this. The need for life insurance has never been as great as it is today, nor has that need ever been as easy of demonstration. This is due in part to the fact that many new uses for life insurance have been revealed, and in part to the fact that a large proportion of these new needs are in connection with corporate and business interests.

EVERY business organization and every business man recognizes the value of ready money, especially at a time when business dangers and complications are greater than during normal periods. And life insurance furnishes ready money at the very moment that it is needed—when death precipitates a demand for the liquidation of obligations; when the death of an officer or partner injures a corporation or business firm, or when the death of an individual creates a pressing need for

typical agent was necessarily a bore, and succeeded only because he was a fluent or plausible talker. Popular opinion is still tinged with some prejudice against life insurance solicitors in consequence of the errors of those early days. But such prejudice is rapidly disappearing.

In the early days the agent was given a rate book and a package of application blanks, and was sent out to swim if sustained by courage and determination, or to sink if disheartened by failure. If he had intelligence and persistence he was sure to have some success in disposing of his wares because of their intrinsic value, and because of aptitude gained in the school of experience. But usually he was ignorant of foundation principles, offered inaccurate explanations, and gave inadequate advice. The result was that those who insured were not always convinced that they had acted wisely, and much of this half-sold insurance was abandoned.

THE best way to learn how to sell insurance is to sell it, but there will always be important information which the agent will not gather in canvassing, such as a knowledge of the fundamental

principles on which all sound life insurance rests.

But instruction of this character will be for the agent's guidance and not to be passed on to his customers. In fact, his chief need for acquiring knowledge of this kind is in order that it may not be necessary to bother his clients with technical information and perplexing details. It is to enable him to say: "I have thoroughly investigated this subject. The life insurance business is conducted on a scientific basis. Nothing else is so secure. It will satisfy your most pressing needs. You can't do without it. Consequently, nothing remains for you to do except to select the policy that will best meet your requirements. In that I will help you, and the rest of the work I'll attend to also, and save you all labor and annoyance."

THE agent's position is now like that of the lawyer, the doctor or the architect. The client does not wish to listen to a learned disquisition on the technicalities of the law, but nevertheless he would not employ as counsel a man who was not supposed to be learned in the law. The patient does not expect the doctor to lecture to him on physiology or surgery. He comes simply to be cured. The man who wants a home does not go to an architect to learn how to build a house. He explains his needs and leaves the architect to do the work.

One reason why the agent should be educated, therefore, is to enable him to think and act for his client. In short, he must be an expert in order that his prospect shall not be forced to acquire expert knowledge and detailed information about what to him will always seem a technical and intricate subject.

THERE is another reason why the agent should be a trained expert—a reason quite as important as the one just stated. It is this: If he knows of his own knowledge that life insurance rests on foundations as steadfast as the everlasting hills; if he fully appreciates its values; if he knows exactly how its wonderful achievements are accomplished, his enthusiasm will be so great; his conviction will be so strong, that he will speak with convincing force, and his appeals will be absolutely irresistible in the vast majority of cases.

LOOKING back over the past, and studying the conditions that prevail today, we can confidently predict a future for life insurance of extraordinary brilliancy. The companies and their agents are advancing rapidly; public appreciation is growing steadily, and as life insurance is the best of all teachers of thrift, it is aiding in the evolution of our nation by strengthening the individuals composing it.

Let us who are engaged in the life insurance business therefore unite in the effort to change our nation from the most wasteful, to one of the most thrifty. Then we shall be strong and prosperous and useful and influential.



# Publishing an Insurance Paper

By CLARENCE AXMAN

IT is just about as easy to write an article on the functions of insurance journalism as it is to explain to a man with golfphobia why he should play the game. Of course, the silk hat and spats of affectation might be donned, as we say with all dignity and most lordly manner: "The function of insurance journalism is to cement internal business relations; to help the young man more firmly comprehend the essentials of his profession; to furnish a circulating library of thought for the older underwriters, and to enhance the public's proper understanding of insurance." But, someone in the corner would be sure to say "Piffle."

EVERYBODY thinks he can run a newspaper, nor is he bashful about saying so. Writing into newspaper offices, disagreeing with the editor or with someone else, is a favorite indoor sport and at the same time furnishes an interesting department of the paper. The London "Telegraph" publishes an entire page of these correspondence letters every day; the New York "Times", every week. Both papers are rather snobbish because every day they toss away enough views of uninvented writers to fill a room. One must have "class" to make those pages. Even the humorists who run those daily columns of independent comment, Franklin P. Adams of the New York "World" and "Dick" Little of the Chicago "Tribune," receive so much mail there are days when letters of contributors fill the columns so full that the conductors can take the day off.

BUT—and this is significant—do you ever see a page of letters from readers in a weekly insurance paper; or (think quickly now) can you recall any letter? Yes, a few. There is the agency manager whose solicitor found a tip in an insurance paper which helped him land a \$15,000 premium. Surely, a little gratitude is quite good form here, as he was about to drop his subscription; and so he writes and praises the editor upon getting out such a good paper. Then there is the fellow who moved to 75 Maiden Lane, who is miffed because the paper said 72 Maiden Lane; or the chap who went with the Royal Exchange and was credited with going with the Royal; or the man who is identified as being with the Home F. & M. These will all write for publication letters chastising the editor. When a three-column article is published praising an insurance man, the latter regards it as bad form even to tell the editor that he has seen it, probably having elaborately thought out that any notice of the compliment would smack of egotism. Sometimes an insurance editor will offend a man in some heinous way, such as getting his initials wrong or leaving his name out of the list at a social function, and for ten years the editor will never know that he has committed this crime and will even meet the offended one at a dozen banquets; yes, even drink with him. Then eventually, through a common friend, he will hear the sad news that the paper does not

stand so well as it did with so and so. Sometimes the news comes as a shock; never by letter.

WHY is it that the insurance men don't write to the papers? When they hear a new use and occupancy story, or an interesting loss tangle, why do they bottle the information up, or only tell it to convivial specials or home office friends? That has always interested me, especially when I put down a copy of "Musical America," "Editor and Publisher," "Printers' Ink," "Variety" or some other trade paper which teems with notes from unpaid correspondents apparently fighting to break into print.

I FEEL quite sure that the real reason is not lack of confidence or interest in insurance papers (which, by the way, have a better standing in the business at the present time than ever before); nor is it selfishness, but the secret in part rests in the timidity of insurance people, brought about by their training

these speeches are unimportant as far as their bearing on the future of the business is concerned. Occasionally, a fire insurance man will break loose and say something sensational, but if he does his hearers don't like it.

ONCE I heard a very thrilling, straight-from-the-shoulder talk of a fire man. One of the audience came up afterwards and said: "Poor taste, wasn't it?" My comment was: "Poor taste, h— Here you are bored in your business by speakers as people are rarely bored anywhere, and when a man comes along and livens things up and says something dramatic, you exclaim, 'Poor taste.' You ought to send him a check for driving away the ennui."

MOST speakers on insurance have one of three climaxes to their papers. The punch is either something about psychology, something about "I have the message to deliver," or some-

*Clarence Axman of New York, the distinguished and versatile editor of the "Eastern Underwriter," is one of the best known insurance editors in the country. He has a real nose for news. He aims to present in his publication the striking features of insurance. Mr. Axman was formerly a stenographer in the western department of the Continental at Chicago. He acted as correspondent for the old "Insurance Herald" of Louisville and later went to Atlanta for the "Insurance Field." He has worked on daily papers and has covered some of the most important stories. Once in a while Axman desires some more excitement than the prosaic assignments in insurance. He gives himself a leave of absence and tackles some big daily newspaper project. This summer, for example, he went to The Hague to do some newspaper work there while the conference of the great powers was on. Axman gets away from the routine of life. His mind is active and is full of projects. He is publishing a most interesting paper.*

to do everything by conference or in committee. A fire insurance training turns out a skilled man but one without initiative. Even a vice-president at the head of a department consults other officers before taking important steps. It is much easier to do so; it spreads responsibilities; and it lessens the possibility of error. So the underwriter grows into the habit of not walking alone; under a spotlight he would have chills and fever; would never glow. So he lets the insurance papers come out without his help.

Except—

- (1) When he makes a speech at a banquet.
- (2) When he makes a speech at a convention.

NOW the fight has begun. How does the newspaper function in regard to these speeches? Shall it print them in full—if so, where's the space? Shall it print them in part—if so, what part? Shall it pass them up? If the speeches are printed in full, the readers may kick. If printed in part, the speakers may kick. Sometimes the editor solves the question by tossing them all into one pile and printing the whole works, almost without editing, in one special edition. That ends his responsibility—read it or not. Take your choice. Many of

thing about education of the public. What's become of all those messages which insurance men felt that they would just burst if they did not deliver; and does the public know it has to be educated; and is it? I am also wondering why the insurance men will spend so much money on hotel bills and sleepers in order to deliver an address before a few insurance men in Bucks county, Pennsylvania, or Sangamon county, Illinois, when they sometimes have to be knocked down or dragged out before they will write the same address in the form of an article for an insurance paper.

THERE are 2,000,000 people in insurance and so many department heads and kinds of insurance that it almost makes me dizzy to count them. The insurance paper tries to interest them all; and the best it can do is to print something which will hold the attention of all of them, knowing it is impossible to interest them in everything. Yet, despite the diversity of the news and comment, the various papers in their treatment of news are in some respects startlingly alike. Why is that? Another mystery. Probably the editors have been too much occupied in studying the tastes of a certain group of men in the busi-

ness who are "readers" just as other men are "joiners."

ONE of the greatest satisfactions of the insurance paper editor and at the same time one of the most poignant grief to the insurance paper's business department is the large army of "unknown warrior" readers. That is, they are alive enough in getting hold of the paper, but they are "dead ones" from the box office standpoint. It works like this: Into the office of a great insurance company come one or six or a dozen or even twenty copies of a paper. Sometime later a printed slip is attached to the paper containing anything from six to a dozen names. The paper then starts on a circulating tour and each reader checks off his name when he finishes.

IT is a hardship on the paper, but a great economy for the office. In some offices a paper goes to so many people that it really costs the office less than a cent a week per man to read it. Even Hearst gets 3 cents a paper. The only solution will be for the insurance paper publisher to get cheaper paper stock; so after the fourth or fifth man has read the news it will all drop apart. The insurance papers are always getting messages over the 'phone, "Send me another copy of the issue of the 6th. Someone has swiped mine." If the papers are responsible for developing this temptation to thievery, they may have to discontinue publication for the sake of the morals of the younger generation of underwriters.

BUT I haven't said much in this article about "functions." Considerable light on what are the functions of an insurance paper can be seen by looking carefully at any good insurance papers to see how they cover the field. Take a look, for example, at THE NATIONAL UNDERWRITER, and you will be taking a course in "functions." Its way of running a paper has brought it thousands of readers.

Now, if you ask me to describe the functions of an insurance paper so that not thousands but all those 2,000,000 engaged in the business will become subscribers, that's another story. Maybe some day I'll figure it out, copyright the idea, and publish the paper. It would only need about \$1,000,000 capital.

But, getting back to the beginning: Everybody thinks he knows how to run a paper; i. e., everybody but the insurance man. He lets the insurance papers run themselves; and he certainly gets a whole lot for his money.

## Birth of Ohio Association

The second issue of The Ohio Underwriter in 1897 told about the meeting called for the organization of a state association of agents in Ohio. Merwin Jackson of Toledo, chairman of the grievance committee of the National Association, issued the call. It was to be held Feb. 25, 1897.

# Growth of Disability Insurance

By A. E. FORREST

**S**IR Conan Doyle draws large crowds because to the masses he is telling something new, something beyond their depth. Tell an audience that 1500 years before the first record of Adam and Eve was written, the Brahman Vedas recorded Adamus and Procriti as enjoying their Paradise, meaning literally, garden at the head of the Ganges river, and witness a lack of interest.

Few today care much about tradition—tomorrow carries the interest and yet everything in nature proves the evolutionary process. The foundation must be laid before the superstructure may be reared. Insurance is no exception and to measure properly the possibilities of the future we must look back to beginnings.

**V**ISUALIZE the Street—LaSalle—in the middle '80s. You could count the capitalized companies writing accident insurance on the fingers of one hand. Sickness insurance was unknown—it had long since flared up and died. The number of mutuals or co-operative associations was, even, inconsequential, and only a few men, comparatively, indulged in the "luxury" of protection against loss of time or life through accident.

At that period a company with \$100,000 premium income from accident insurance was a great institution in the eyes of the craft, and the company officers carried a halo. As late as 1890 state supervision of the accident insurance business, at least in Illinois, was of an extremely mild type. One paid an annual filing fee and forgot. Policies were of a very limited scope—promises set out on the title page to be practically nullified further on by restrictive clauses. Both public and underwriters were benighted. The latter were feeling their way in an uncharted sea and it was much more difficult then than now to convince a man that accident insurance was a good investment.

**T**HERE was no cooperation, not even friendliness among these frontiersmen in underwriting. Unlike our pioneer grandfathers, who carried their guns with the plough for protection against a common enemy, insurance men at that period armed against each other and especially the newcomers. With every manager and agent disparaging each competitor; sowing distrust as to financial soundness and business integrity, is it any wonder that the public was slow in demonstrating confidence in accident insurance?

In the broad light of today's frankness in interchange of courtesies, it is difficult to appreciate that, for instance, when one company secured, through fortuitous circumstance, a confession from a policyholder insured in four other companies that he had voluntarily cut off his hand, that company's manager permitted the culprit to collect from all—in court proceedings in one case—the full sum wrongfully claimed.

Not one of the five companies interested communicated with any of the others—it was not the vogue.

**I**NSURANCE journalism at that date was not of the highest order. True, there were quite a galaxy of insurance trade papers, some good but not the useful variety of today, however, and a few that did not stop at urging their wares—they threatened—a boost was purchasable, as was a knock for a competitor. Search the pages of insurance newspaperdom of '90 for uplifting, sale

called the Mutual Life Underwriters Association which met annually in convention. The early meetings were crude; dominated by the officers of a very few of the large associations; junkets affording pleasant outing at co-operative company expense for the little fellow, but holding a deeper purpose for a clique in the way of gathering funds for the handling of legislation. Even in those days the "ways" at state capitals had to be given at least an oiling. There was not enough contributed to furnish real "grease." A



*A. E. Forrest, vice-president and secretary of the North American Accident Association of Chicago, may be called a veteran in the business and yet in spirit and in truth he is one of the youngest officials in the country. Mr. Forrest is a Canadian by birth. His ancestors came from Scotland and England. Mr. Forrest has been one of the most forceful figures in the accident and health field. He has always been a leader in the front ranks of the organizations. He was prominent in the old International Association of Accident Underwriters when it comprised companies writing only accident and health business. He was one of the founders of the Detroit Conference and now is equally conspicuous in the Health & Accident Underwriters Conference. Mr. Forrest has views of his own and he has not hesitated to express them. At times he may have been counted too outspoken. He has made a wonderful success of his company. He started the North American Accident Association, a mutual, in 1890, there then being no law in Illinois*

*under which a stock accident insurance company could be organized. Later the North American became a stock company. Mr. Forrest was engaged in mercantile pursuits in early life and landed in Chicago in 1883. In the earlier Chicago days, Charles H. Bunker was head of the Metropolitan Accident, Mr. Forrest was the chief man in the North American Accident, Thomas S. Quincy was the pilot in the old Star Accident. H. G. B. Alexander was down at Indianapolis as general superintendent of agencies of the Railway Officials & Employees Association, which later was merged into the Continental Casualty. Mr. Alexander then joined the galaxy of accident officials in Chicago. Mr. Forrest during his business career has managed to come in contact with life in many directions. He owns a mine or two, a farm, a lot of securities, is a first class poker player and is a deep student of philosophy. In fact he is writing a book delving into the fundamentals of existence.*

making matter; you will not find it. It seems, nay, it is true that "men rise on stepping stones of their dead selves to better things" and, however we may regard the philosophy of the masses today, at ebb-tide we must admit, one class, insurance and insurance journalism, constantly improving physically, morally and financially, has attained a high estate.

Insurance publications, read almost exclusively by those closely connected with the profession, have done much good work in this evolutionary process. They have brought into close touch the entire fraternity, its doings, given praise when due and condemnation when deserved, constantly elevating the tone of the auditors, receiving stimulation in the good work by the effort itself.

**T**HE accident underwriters of '90 with few exceptions, were members of a section of a national organization

schism in this embryotic organization brought about through the alleged partisan misuse of "oil" set up in 1893.

**A** MEMORABLE meeting at Niagara Falls created the International Association of Accident Underwriters, an instrument of great benefit to accident insurance as an institution, and buried the accident section of the life convention. Yearly meetings, well prepared papers, much debate, good resolutions, the banquet, all feet under one table, good viands, Carolina perfectos, and especially that moderate use of that which Omar Khayyam memorialized—the Grape—in time made fast friends of former enemies, adding greatly to moral uplift in this particular branch of insurance.

In 1899 at Lake Geneva, the writer proposed the admission as a member of the "International," of a mutual association having the temerity to under-

take the writing of health insurance. Voted down promptly, such an undertaking was impossible; bad enough to prove a limit of accident disability, who could cope with the malingerers insuring against sickness?

**T**ODAY it is difficult to sell a policy that does not cover any kind of disability and not just for twenty-six weeks as in 1900, but for the entire lifetime if sick or disabled. This is the floating foundation on which we started our building. Like modern structural enterprise which discarded the "piers" and the piles and now rests the superstructure on the solid rock, disability insurance now rests on the foundation called honesty and service and since the adoption of the newer style the growth of public confidence has walked right alongside in step. The "big" company of the nineties had an income of a few hundreds of thousands. Today no company is big in accident and health parlance until it runs into the millions in premium income.

The business of writing health insurance in a large way commenced with the century. For ten years previously, mutual associations wrote both health and accident, but stock companies began to take on disability insurance, health and accident, in earnest about 1900. There is no question but that a wonderful impetus was given to the business through the writing of the dual lines.

**A**BOUT 1900 an organization of companies and associations writing health and accident insurance on the monthly payment plan, called the Detroit Conference, came into use and this association, rechristened the Health & Accident Underwriters Conference, has been a powerful factor in the up-building of present day methods in the health and accident field; not alone in the monthly pay work, its beneficial effect has been felt throughout the entire health and accident underwriters' field. It is an educational institution in practice and ethics and from a very small original gathering its membership now numbers about 100 companies. It is an harmonious body. Without legislation, its members debate ways and means and are usually unanimous in following the course decided on as desirable in the uplift of the business as a whole.

Old time feudists meeting twice a year in friendly debate, sitting at the same dinner table, for the expensive banquet was long since abandoned by these earnest workers, cannot hold a grudge and the rivalry among association membership is clean. The Indian spirit seems to have disappeared with the fierce mustache, if one may judge from comparing the ubiquitous convention picture of today with that of the '90s. We jointly gather statistics on net loss cost in health and accident coverage. Like good brothers we relay to all companies all claims as made and



report to each other undesirable agents' records.

THE business is fast assuming a measurable project, insofar as humans are measurable. Unfortunately the genus homo cannot be satisfactorily standardized as an accident and health risk because of lack of accord with the elements entering into the insurance agreement. The ups and downs of the financial teeter, the frequent change in hazard of occupation, natural biological change, varying with the man, his prenatal and acquired tendencies, pathophobia-hypochondria, easily set up through recurrence of an influenza or other epidemic—a thousand unmeasurable items remove man from the standardizable class of subjects of disability insurance.

No company can, with safety to itself, contract to carry an unchangeable policy covering accident and health insurance from age 30, on an unalterable premium constant to age 65 without charging such a sum in excess of established present day rates as will make it unsalable except to the underaverage in health or to the designing who prey on the insurance company. Such an undertaking is akin to the building of steam boilers without providing escape valves. High pressure will explode company and boiler alike.

THERE seems to be a price deadline beyond which the public will not venture in buying health and accident insurance. The business man is educated up to complete coverage, indemnity for life while sick or disabled, but he is unwilling to pay the price and there is a question as to whether the basic principle of insurance, spread of loss, is not violated when it becomes possible for one risk to draw on the common treasury, for say \$120,000, twenty years' indemnity at \$500 a month, and there are many non-cancellable policies providing \$1000 a month being sold and \$1000 being paid to carefully examined risks—now, a couple of years after examination, in the insane asylum or victims of neurasthenia, wintering in Florida and summering in Canada. This in time will become a drain on the risks whose premiums may be raised, for no company has yet had the temerity to depend wholly on non-cancellable business as a stockholder's dividend payer.

WITHDRAWAL entirely from this line, of a large life insurance company, that during its brief and costly experiment was so forgetful of ethics as to openly solicit the risks of other companies through letters calling particular attention to Clause 16 of Standard Provisions, is a straw in the wind when considered in conjunction with the action of a large casualty company in raising—a second raise—its premium on a large volume of well aged and established indemnity for life business and giving notice of discontinuance entirely of indemnity for life under the health feature of its new issue.

It is a good plain signboard pointing to safety, but because the path does not look so smooth as the present well beaten road, those without vision will keep right on into embarrassment.

Health and accident underwriting is not a summer holiday. Competition has fixed the premium and raised the cost of acquisition. Increased taxation and living expense have played havoc with cost of maintenance and natural gravitation to a higher plane in all business transactions involving open competition has evolved a policy contract of merit as compared with that issued a decade ago.

THE business is young, rather skittish, easily unseated. Unfortunately for health and accident insurance of the commercial variety covering for business and professional men, there exists no code of ethics such as ob-

served by the Health & Accident Underwriters Conference and risks are switched indiscriminately from one company to another with profit only to the itinerant solicitor who usually gets a bonus on new applicants.

The 20 percent tax on first premiums on monthly pay business gave pause to that line. Happily, with the repeal of this iniquitous burden and the return to near normal wages, there again opens up a future for a most necessary branch of underwriting—the insurance of the workingman's income. This has in it less of the gamble element than any other branch of the business. LaSalle and Wall Streets can muddle through a few weeks of disability without indem-

nity—their insurance is largely a speculation—but to the man who works with his hands, two weeks disability is a hardship and a protracted disablement, a calamity.

THE big health and accident companies of the future will be those that forsake the beaten path and like the industrial life insurance companies, seek out those most benefited through disability coverage. An entire change from the usual agency organization of a casualty company must be made in handling the many small investors. Even the system in use by the industrial disability companies must change because of too heavy expense entailment. Less must be used in expense and more returned to the policyholder and beneficiary.

ENTRY of life insurance into the accident and health business will for a time prove an unsettling factor insofar as stabilizing cost of production is concerned. Insurance commissioners should make it their business to see that the accident branch is not carried on the shoulders of life insurance policyholders; especially participating life companies should be instructed that each branch must carry its own proportionate expense, from officers' to janitors' salaries, and insist that rebating through the giving away of a disability policy in order to get a life application is as reprehensible as splitting a life premium.

The practice in disability insurance of paying large commissions on renewals of accident and health premiums will result either in diverting life agents to the disability work or in bringing about a raise in amount of renewal commissions on life insurance.

THE companies interested in disability insurance exclusively will have to draw together in even closer cooperation than exists today, and build around their business a stone wall against the harmful practices of the companies that handle it as a side line, using the accident and health policy as a sweetener in a trade for a larger volume of casualty, surety or life insurance.

Building a disability business is slow work in comparison with building on workmen's compensation and general casualty lines, but is reasonably measurable and can be more safely handled. Disability insurance as a useful utility will become more and more of a factor in our national economic system and before THE NATIONAL UNDERWRITER celebrates its next twenty-fifth anniversary it will be difficult to find any wage earner not a policyholder.

#### Ohio Companies in 1897

The first issue of The Ohio Underwriter reviewed the 1896 business of the Ohio companies. It gave the figures for the Eureka and Security of Cincinnati, comprising the Cincinnati Underwriters: the Ohio Farmers, Teutonia of Dayton, Columbia of Dayton, Merchants & Manufacturers of Cincinnati, Cincinnati Insurance Company, Commercial of Cincinnati, National of Cincinnati, Washington of Cincinnati and Cooper of Dayton.

## Life Companies Show Immense Growth in the Past 25 Years

THE table subjoined gives a list of the life companies that were on an old-line legal reserve basis in 1897 and have continuously been in business. Since 1897 a few companies have changed from an assessment to an old-line basis. It is desired, however, to present in this table only those that have been continuously on an old-line basis since 1897. The list follows:

Company and Location	Assets	New Business Written	Business in Force
Aetna, Hartford .....	1922 \$ 161,294,989	\$ 324,617,774	\$1,204,000,398
1897 45,557,272	22,322,948	145,635,941	
Berkshire, Pittsfield, Mass. ....	1922 30,351,611	16,543,549	131,027,062
1897 7,508,053	7,585,873	43,268,435	
Central Life, Des Moines .....	1922 11,997,486	22,721,822	108,240,977
1897 202,972	256,000	256,000	
Conn. General, Hartford .....	1922 37,481,515	117,922,255	416,248,133
1897 2,941,291	1,679,024	11,759,984	
Conn. Mutual, Hartford .....	1922 96,204,771	62,527,294	413,239,004
1897 62,947,270	10,355,237	157,422,626	
Equitable, Des Moines .....	1922 39,234,839	55,904,487	286,934,616
1897 1,442,110	1,971,480	8,499,345	
Equitable, New York .....	1922 655,301,018	596,840,460	2,817,970,732
1897 215,456,136	127,694,084	915,102,070	
Guardian, New York .....	1922 41,152,050	37,826,127	198,221,795
1897 22,362,443	9,432,457	71,062,143	
Home, New York .....	1922 43,222,328	31,810,915	223,116,887
1897 9,384,857	8,222,023	41,971,980	
John Hancock Mutual, Boston .....	1922 239,693,371	278,786,237	1,545,588,197
1897 8,814,124	36,871,080	105,640,047	
Life Ins. Co. of Va., Richmond .....	1922 28,308,449	38,518,535	214,188,461
1897 1,041,505	10,613,052	13,778,199	
Manhattan, New York .....	1922 19,818,205	11,616,768	70,646,802
1897 14,400,374	9,379,017	57,660,441	
Maryland Assur., Baltimore .....	1922 4,379,522	1,659,645	16,813,965
1897 1,781,821	962,741	6,473,232	
Mass. Mutual, Springfield .....	1922 147,090,913	136,157,351	817,054,519
1897 18,546,960	20,434,382	102,867,061	
Metropolitan, New York .....	1922 1,115,583,025	1,564,789,607	7,005,707,839
1897 30,628,968	169,820,543	454,068,004	
Michigan Mutual, Detroit .....	1922 15,994,131	12,935,221	88,252,493
1897 5,351,498	4,801,994	27,954,169	
Mutual Benefit, Newark, N. J. ....	1922 306,440,101	168,516,755	1,415,984,740
1897 60,742,985	30,569,633	224,556,168	
Mutual, New York .....	1922 667,505,499	343,750,863	2,472,651,779
1897 234,744,149	135,679,834	917,930,911	
Mutual, Baltimore .....	1922 3,199,117	18,099,841	41,810,317
1897 198,708	788,209	1,687,775	
National, Montpelier, Vt. ....	1922 79,756,968	50,453,617	333,894,264
1897 13,540,024	13,611,204	72,474,731	
New England Mutual, Boston .....	1922 116,208,826	82,072,020	609,415,082
1897 25,910,905	10,330,563	99,996,092	
New York, New York .....	1922 952,632,139	603,156,334	3,816,098,524
1897 187,176,406	123,812,865	826,816,648	
Northwestern Mutual, Milwaukee ..	1922 507,085,694	267,911,313	2,350,450,298
1897 92,633,604	53,375,567	384,167,829	
Pacific Mutual, Los Angeles .....	1922 65,199,251	81,184,108	390,156,043
1897 3,069,252	3,720,111	2,367,726	
Penn Mutual, Philadelphia .....	1922 233,985,548	136,509,538	1,090,757,509
1897 29,405,529	24,514,312	134,594,870	
Phoenix Mutual, Hartford .....	1922 62,687,601	50,462,274	322,725,230
1897 10,655,170	9,280,439	42,216,841	
Presb. Ministers Fund, Phila. ....	1922 11,173,301	4,431,094	33,966,081
1897 738,698	1,025,165	4,221,041	
Provident L. & T., Philadelphia ..	1922 128,399,518	87,607,287	574,723,857
1897 31,636,776	13,016,586	113,054,246	
Prudential, Newark .....	1922 789,508,224	1,139,784,242	5,668,080,870
1897 19,541,828	108,223,712	279,030,638	
Royal Union Mutual, Des Moines ..	1922 10,945,271	9,027,167	65,282,454
1897 25,560	267,404	770,426	
State Mutual, Worcester, Mass. ....	1922 72,219,112	42,796,493	338,276,595
1897 12,237,052	7,729,031	62,040,794	
Travelers, Hartford .....	1922 219,005,682	477,123,176	1,756,489,826
1897 17,534,556	12,302,740	88,243,267	
Union Central, Cincinnati .....	1922 161,681,751	112,465,017	831,872,012
1897 16,304,769	30,187,212	93,898,215	
Union Mutual, Portland, Me. ....	1922 19,020,699	7,162,832	73,044,990
1897 7,010,697	7,793,125	38,086,849	
United States, New York .....	1922 6,225,074	3,175,976	24,429,104
1897 7,464,011	6,506,935	37,793,775	
Western & Southern, Cincinnati ..	1922 28,295,931	103,759,465	265,081,084
1897 210,712	4,290,332	5,724,728	



# Insurance and Business Interests

BY JAMES L. MADDEN

THE Chamber of Commerce of the United States has an underlying membership of over 700,000 corporations, firms and individuals, probably 90 percent of whom have some direct interest in insurance. The National Chamber is a business man's organization. Its strength is in its ability to speak with authority for American business on national matters affecting its welfare.

For purposes of service, business has been divided into eight divisions—domestic distribution, fabricated production, finance, foreign commerce, natural resources production, civic development, transportation and communication, and insurance. Each is represented in the National Chamber by a department and an advisory committee. The former follows a very definite program of service for the Chamber's membership, including both buyers and sellers. The committee, as its name implies, is advisor to the department on questions of policy and on such matters as the board of directors, the officers or the department manager may refer to it.

THE success of insurance depends to a great extent upon the progress and development of our industrial and commercial enterprises. There is a distinct community of interest between them and insurance. The National Chamber serves as a meeting ground where they may exchange ideas and decide upon matters for their mutual advancement. Today, insurance is vitally interested in practically every phase of business activity, for example:

**I.** Insurance men are very much interested in the standardization of processes and equipment because of the effect which it will have upon the loss ratio due to accidents. As machinery becomes more highly standardized, the number of designs requiring protection will be reduced. It will thus be easier to devise and supply adequate guards. Considered from the human standpoint, the standardization of processes will make it easier for employees to become acquainted with their work and thereby reduce the number of accidents due to ignorance. Insurance benefits from and appreciates efforts leading toward more efficient operation of industry. The fabricated production department is conducting valuable work of this nature.

**II.** The foreign commerce department of the National Chamber has been engaged in excellent work during the past two years relative to theft and pilferage losses in export shipments and has helped focus the attention of American manufacturers upon the necessity of adequate packing. It has had frequent occasion to counsel the American exporters upon the most suitable packing for their products and the proper methods for checking up the condition in which such packing reaches the buyers. It also offers advice concerning the facilities available in the United States for subjecting merchandise to tests of a character similar to the actual handling undergone in the course of an average export shipment.

It, in cooperation with American chambers of commerce abroad, has furnished to American manufacturers much valuable information about the condition in which merchandise is received overseas, how it is stored, and the possibilities of increased losses from theft and pilferage in the various ports.

At present, the foreign commerce department is conducting an investigation in the matter of inspection and certification of export shipments as to condition, quality, and compliance with contract, as well as to the nature of the packing, the stowage, and the other

ordination of the efforts of the states, the insurance companies, and the buyers. Today, we find 48 varieties of regulatory state insurance laws with very little uniformity among them. The insurance companies are rendering good service in spite of the adverse conditions. So far, the buyers have not collectively made any effort to express themselves on the many insurance matters vitally affecting them.

The program of the insurance department of the National Chamber provides for two distinct services, one for insurance, and the other for buyers of



James L. Madden, manager of the insurance department of the United States Chamber of Commerce at Washington, D. C., has aroused much interest in the insurance division. He is a graduate of Washington College and took his law degree from New York University. Mr. Madden obtained a reputation as an efficiency engineer. During the war, he was attached to the ordnance department and devoted his attention to speeding up production in munitions and kindred manufacturing plants throughout the country. His work in this connection attracted the attention of the Metropolitan Life which engaged him to develop its Policyholders Service Bureau for its group division, a work to which he gave his attention for three years previous to his going to the Chamber of Commerce. He is full of enthusiasm for his present work. He sees the opportunity to accomplish something in bringing insurance in contact with other great lines of business.

physical factors contributing to the safe carriage of the goods to the foreign destination.

In all such work, insurance is directly and vitally interested because of the effect it will have upon reducing marine insurance loss ratios.

**III.** The National Chamber is opposed to the government entering into business activities which can be fully undertaken and conducted by private enterprise. It is not long since a bill was proposed in one of the state legislatures which provided for monopolistic workmen's compensation insurance. The organization members located in that state were promptly informed of the National Chamber's policy and asked to communicate their views to their respective members in the state legislature. This is an excellent illustration of how national organized business assisted in preventing a situation which would have seriously affected the very life of insurance, namely, its ability to function.

The most successful operation of insurance depends upon the complete co-

ordination of the efforts of the states, the insurance companies, and the buyers. The remainder of this paper will be devoted to the latter class.

THE American business men and the public generally believe in insurance, as is evident from their expenditure of about \$3,000,000,000 in insurance premiums in 1920. Yet there is no national organization which represents in all subjects the interest and welfare of the insurance buyer. The National Chamber is, therefore, thoroughly alive to the possibilities in rendering its membership a real policyholders' insurance service.

The average business man takes his insurance contract when delivered, places it in the safe and forgets about it. He regards insurance as something very complex and does not endeavor to understand it. This lack of understanding results in a loss by the buyer of the maximum service to which he is entitled. We have found many cases where business men have never read their contracts, either when delivered or afterward.

We have known of American business men who did not know that their

particular life contracts also provided permanent and total disability benefits. They were surprised when they learned this fact. Many times, this lack of knowledge results in serious criticism, detrimental to the welfare of insurance. For example, a man holding a cheap health and accident contract may become sick, make claim for benefits, and then find he is not adequately protected. Another illustration comes from the use of the coinsurance clause in fire contracts. There are many reasons for the use of this clause. The average business man, after he has had a fire, frequently objects to its application because he either has not read his contract or does not understand it. In view of these facts, the insurance department's program contains the following provision:

"The wise purchase of a machine will not in itself produce results. The machine must be understood and used. It should be gone over from time to time to be sure the firm is getting the maximum production possible. The same thing applies to an insurance contract. At regular intervals it is advisable to have the contract read and reread in order to be sure the various features are not forgotten and the services are being utilized to the fullest extent."

The first step in a definite program of insurance education among the underlying membership of the National Chamber will be the issuance of the "Laymen's Insurance Review." This publication is devoted entirely to the interest of insurance buyers. Its primary object is to help business men understand the truth about insurance, what it is, their interest in it, and how it can help them. Particular emphasis will be placed upon the reduction of fire, accident, health and moral hazards.

PART of the incomes of individual insurance buyers, already taxed in various ways, is paid to insurance companies for protection. The different states then impose taxes on these insurance premiums, making the companies the tax collectors. A recent investigation of the taxes paid by the companies reporting to the insurance commissioner of one large state revealed that on the average they corresponded for 1920 to 4.6 percent of the fire and marine insurance premiums collected. Part of this is justified but, as the buying of insurance is an indication of thriftiness, the rest may be a penalty on thrift.

This matter of insurance taxation is important. The buyers generally believe the insurance companies pay these taxes. As a matter of fact, the buyers pay the major part of them. Because of the variation of the insurance tax rates in different states, the policyholders in states with low insurance taxes help to pay the high taxes imposed by other states upon companies doing a national business. The buyer is entitled to know the facts.

ON April 10, 1922, the insurance advisory committee of the National Chamber, after considering the matter of federal and state insurance taxation, passed the following resolution:

"Whereas, it is essential for the welfare of American business and the public that insurance taxation in all forms should be carefully considered.

"Therefore be it resolved, that a subcommittee be appointed to make a study of, and present a report upon, the various methods of insurance taxation being used throughout the country, and their effect upon the public as well as upon policyholders."

Material relative to taxation is now being gathered. The subcommittee to make this investigation will be a balanced one, consisting of buyers and representatives of insurance. Because of the complexity of this subject, it will probably be some time before the results of the investigation are ready for the underlying membership of the Chamber.

It is common knowledge that out of every dollar of premium, a certain portion goes to reserve. The law generally specifies just how such funds may be invested. The security of these investments is of vital importance to business because claims are paid from them. Sometimes attempts are made to have legislation passed which may adversely affect the security and earning power of these funds. This is a serious matter to business because it strikes at the reserves depended upon in time of need. When the facts are brought to the attention of the business men, through their trade organizations and chambers of commerce, we believe they will not be slow to express themselves.

The absolute lack of uniformity among the state laws regulating insurance is a disturbing factor in the administration of companies doing a national business and is prejudicial to the best interests of insurance buyers. As long as each state looks at insurance only from a local viewpoint, so long will the present difficulties continue. Insurance is not a local matter but rather a national one. Even states which tax insurance the highest appreciate the importance to their citizens in getting the benefit of a national distribution of risk.

At one time, insurance was content with the service of paying claims. Today we find it acting as a leader in

conservation work tending toward the reduction of hazard. This is a splendid national service. It is also of direct financial value to insurers. The immense field of this work is indicated from the following:

(a) In 1920 there were 1,142,558 deaths in the registration area of the United States. Life conservation work indicates that approximately more than one third of these deaths might have been postponed to subsequent years.

(b) W. H. Merrill, president of the Underwriters' Laboratories, in a recent address, estimated that the fire loss in 1921 reached the enormous sum of \$500,000,000. Every bit of productive energy represented by this sum is gone forever. Fire conservation methods clearly indicate that much of this loss should never have occurred.

(c) Experts claim the country loses the production of approximately 3,000,000 workers every working day on account of illness. They also tell us that nearly one half of this loss might have been prevented through simple precautions or treatment.

(d) Mr. Hoover states about 575,000 accidents occur each year, each of which involves a disability of over four weeks. Included in this number are 23,000 deaths. A large steel organization is reported to have saved hundreds of thousands of dollars yearly by intelligent safety measures.

REGARDLESS of the splendid leadership of insurance in reducing these losses, the greatest results will be secured as the buyers become sufficiently interested to be informed and to make the necessary effort to benefit from the reduction-of-hazard program of insurance.

The conservation bureau provided for in the program of the insurance department is now functioning. It will carry out the department's national conservation program, dealing with the reduction of health, accident, fire and moral hazards in business and industry.

THE first step has been to establish a basis of cooperation with the various recognized insurance and conservation agencies. The object of this is to avoid duplication of effort and to bring

the experience and ability of these associations to our fourteen hundred member organizations in a systematic way. The recent action of the National Fire Protection Association in preparing a special bulletin for our organization membership is a good illustration of the splendid cooperation we are receiving.

Much material, of course, will necessarily have to be prepared by our own staff. Some of this will appear regularly in our "Laymen's Insurance Review." At times, special leaflets or pamphlets will set forth the results of investigations in matters involving reduction of hazard as well as programs for use by our organization members for their business communities and the individual members.

The conservation bureau has already arranged with several leading organizations to provide speakers for those of our organization members that desire to hear addresses on the conservation of life and property.

WITH the proper cooperation between local business and insurance men, it is hoped that in time the buyers' interest will be more of a factor in the consideration of matters affecting their insurance welfare. It is expected that, through a more thorough understanding of insurance, the business man will assist in the development of an even broader and bigger field of insurance service.

The solution to many problems of insurance rests with the buyer.

## Western Union "Old Guard" Much Reduced

The old guard of the Western Union is being greatly reduced in number. Fred S. James is the only charter member who can be said to be actively in business, although Mr. James himself has practically retired. The only other charter members living are C. F. Mullins, who was formerly with the Commercial Union; Thomas S. Chard, who was formerly manager of the Fireman's Fund, and W. J. Littlejohn, who was formerly manager of the North British.

E. C. Irvin, president of the Fire Association, who still is the active head of his company, joined the Union April 1, 1893. H. T. Lamey of Denver, manager of the Western and British America, first joined Sept. 11, 1891, and then was not a member for a while but came back Sept. 8, 1897.

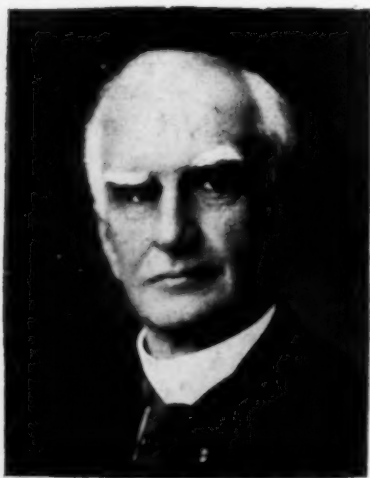
President W. B. Clark of the Aetna joined May 31, 1893. Milton Dargan, southern manager of the Royal, first joined in January, 1894, but his present membership dates from July 24, 1902. Manager A. G. McIlwaine of the London & Lancashire dates his membership from Feb. 24, 1894. Charles H. Post, United States manager of the Caledonian, dates from Sept. 13, 1894. Charles D. Dunlop, president of the Providence-Washington, dates from Nov. 8, 1895. President R. M. Bissell of the Hartford from June 3, 1896, and President A. W. Damon of the Springfield from Sept. 15, 1896. J. A. Kelsey joined for the Aachen & Munich in Feb. 19, 1897, his present membership for the Tokio dating from 1918. Vice-President John Marshall of the Fireman's Fund joined for the Royal Exchange March 5, 1898, and became a member for the Fireman's Fund July 2, 1900. John J. Purcell was a member for the Sun March 11, 1899, and following his resignation from that company did not rejoin until he became manager of the Sterling and Federal in 1920.

J. F. Edmonds of Denver, manager of the Commercial Union, dates from April 4, 1899. S. Y. Tupper, southern manager of the Queen, was admitted April 4, 1899. Trezevant & Cochran of Dallas entered Jan. 8, 1900. W. E. Chapin, southern manager of the Fire Association, became a member May 10, 1900. The two oldest members in point of service now living in Chicago aside from Mr. James are Charles W. Higley of the Hanover and Charles E. Dox of the London & Lancashire. Mr. Higley preceded Mr. Dox three days, his date being Dec. 19, 1900, and Mr. Dox Dec. 22. Vice-President George M. Lovejoy of the Phoenix of Hartford joined Feb. 16, 1901. The next oldest Chicago member is A. G. Dugan of the Hartford, who became a member Oct. 26, 1903.

## "OLD GUARD" OF CHICAGO AGENTS; WHEN THEY STARTED IN



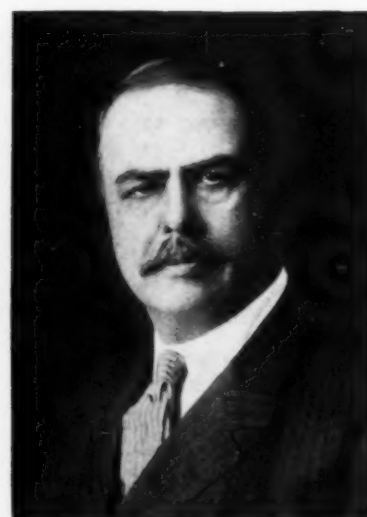
J. L. ROSS (1866)



JAMES H. MOORE (1864)



C. E. AFFELD (1869)



FRED S. JAMES (1867)



# American Life Convention's Work

By THOMAS W. BLACKBURN

IN THE early fall of 1905 J. B. Reynolds, president of the Kansas City Life, met by chance Charles E. Dark, vice-president of the American Central Life of Indianapolis, Ind.

President Roosevelt had declared for national supervision of insurance companies. Many eastern executives, and especially Senator John F. Dryden, then president of the Prudential, vigorously advocated the principle.

The preliminary term method of valuation was also the occasion for much acrimonious discussion.

The New York investigation had turned the eyes of legislators and publicists toward the business of life insurance. The governors and attorneys general of the several states thought it wise to confer together relative to the necessity of legislation affecting life insurance.

A NUMBER of young companies had entered the field and their aggressiveness had attracted the attention of the older institutions.

These two gentlemen had been representing their companies for a few years and were making progress. They conceived the idea that the young and small companies might protect their method of valuation and prevent hostile legislation and delay or prevent federal supervision if they should form an association for cooperative effort.

IT was decided before they separated that a conference of the younger companies should be convened at the Great Northern Hotel in Chicago Dec. 5, 1905, to "talk over matters affecting their common interest." Mr. Reynolds prepared such a call and Fred W. Fleming, secretary of the Kansas City Life, suggested that Sidney A. Foster, secretary of the Royal Union Mutual Life of Des Moines, should be invited to join in signing the call. Mr. Fleming telephoned to Mr. Foster and was authorized to attach his signature to the typewritten invitation which went out in November, 1905 on Kansas City Life stationery, signed by J. B. Reynolds, president Kansas City Life; Charles E. Dark, vice-president American Central Life; Sidney A. Foster, Secretary Royal Union Mutual Life.

Strangely enough, though some 30 of these letters were mailed, no one seems to have preserved an original in his files. At least up to this date, the archives of the Convention contain no original copy of this first step toward bringing into existence the organization.

ON Dec. 5, 1905, the following companies announced themselves when Mr. Reynolds called the conference to order:

American Central Life Insurance Company, M. A. Woollen, president; Charles E. Dark, vice-president.

Bankers Life Insurance Company, Lincoln, Nebr. W. C. Wilson, president. Bankers Reserve Life Insurance Co., Omaha, Neb. B. H. Robison, president; T. W. Blackburn, counsel.

Central Life Assurance Society, Des

Moines, Ia. George B. Peak, president. Columbia Life Insurance Co., Cincinnati, O. Herman Brockman, Secretary. Des Moines Life Insurance Co., Des Moines, Ia. Mrs. Charles E. Rawson, vice-president; C. H. Philpott, second vice-president; J. M. Emery, actuary. Federal Life Insurance Co., Chicago. Isaac Miller Hamilton, president; R. M. Wilbur, secretary.

Guaranty Mutual Life Association, Davenport, Ia. J. T. Casey, president. Kansas City Life Insurance Co., Kansas City, Mo. J. B. Reynolds, president. Meridian Life & Trust Co., Indianap-

ported that it was unable to agree on any definite plan and referred the matter back to the conference. The committee on resolutions submitted without recommendation the first two resolutions which have appeared in the issues of the manual from year to year. Two sessions were held without any definite action.

Meanwhile, the representatives of several companies went home and several others felt they would not be able to vote on the final proposition for organization without consultation with their home office people. As a result



When one thinks of the American Life Convention, the man that comes immediately to his mind is Thomas W. Blackburn of Omaha, the secretary and general counsel. Mr. Blackburn in many respects is the American Life Convention. He is the power behind the throne. Mr. Blackburn may not properly be called the father of the American Life Convention, but he certainly is the big brother. He was elected secretary, treasurer and counsel when the organization was formed and each year has been re-elected to the same position. Mr. Blackburn, more than any other one man, is responsible for the growth of this famous organization. In its earlier days the American Life Convention was composed largely of young and struggling companies. They needed encouragement and support. They required counsel and

some guidance. Mr. Blackburn made it a point to visit the home offices at intervals. He got in touch with the officials. He knew the internals of the various companies, recognized their weaknesses and points of strength. He was able, like a big brother, to assist them on many occasions. Mr. Blackburn is held in affectionate esteem by the members of the organization. He has done much for them. Mr. Blackburn, in early life, was in newspaper work and there was trained as a keen observer. It has been of great advantage in his later life. He is quick to discern the real strength of a man. He can measure him accurately. Mr. Blackburn graduated into law and took a prominent part in the Omaha Bar Association, being at one time its president. He has been conspicuous in the American Bar Association serving on its insurance committee and rendering great service in that capacity. In his work with the American Life Convention he has had to come in contact with insurance commissioners, governors, state officers of various kinds, members of Congress and so on. He has gained a wide acquaintance in political life. His word is always listened to with great respect. He is a "good scout" in every sense of that term.

olis. Arthur Jordan, president; Everett Wagner, vice-president.

Missouri State Life Insurance Co., St. Louis, Mo. Edmund P. Melson, president.

Register Life Insurance Co., Davenport, Ia. Wm. M. Radcliffe, secretary.

Security Mutual Life Insurance Co., Lincoln, Nebr. W. A. Lindly, president; Thomas A. Cobb, director.

Volunteer State Life Insurance Co., Chattanooga, Tenn. Samuel Bosworth Smith, counsel.

At this meeting Mr. Reynolds was elected temporary chairman and T. W. Blackburn temporary secretary.

MUCH difficulty was experienced at this meeting in getting together on a satisfactory basis of organization. The committee on organization re-

about 11 p. m. the discussion ended and the resolutions offered as the basis for an organization were unanimously adopted by the following eight companies: Kansas City Life, by Mr. Reynolds; Meridian Life & Trust, by Mr. Jordan; Security Mutual, by Mr. Lindly; Volunteer State Life, by Mr. Smith; American Central Life, by Mr. Woollen; Bankers Reserve Life, by Mr. Robison; Guaranty Mutual Life, by Mr. Casey; Central Life Assurance Society, by Mr. Peak. An executive committee of five was created, consisting of Messrs. Reynolds, chairman; Smith, Dark, Peak and Robison.

THE executive committee was authorized to call a meeting Jan. 30, 1906, at the Jefferson Hotel, St. Louis, Mo., prepare a program and invite all

legal reserve companies in the Western, Central and Southern states to attend and participate. Messrs. Peak, Smith and Blackburn were selected as the press or publicity committee to make known the action of the conference.

At the St. Louis meeting 14 companies were in attendance and nine other companies indicated their desire to affiliate. A committee on organization consisting of W. K. Bellis, secretary of the Reserve Loan Life; Dr. J. T. J. Battle of the Greensboro Life, and T. W. Blackburn of the Bankers Reserve reported a recommendation for permanent organization and submitted a draft of a constitution and by-laws. The report was adopted and a declaration of principles from the committee on resolutions was likewise adopted, and is still printed in the manual.

AS an indication of the motive which was the main impulse for organizing the convention it may be interesting to note that Mr. Robison on behalf of the executive committee presented for adoption and the convention unanimously approved the following resolution:

"Resolved, That we recommend concert of action of the insurance interests of the several states by organization of state associations to include life, fire, accident, fraternal and other insurance institutions which favor state control and the closest affiliation to foster, protect and develop the insurance business of the respective states."

THUS the American Life Convention came into potential being without a member or a dollar in the treasury. J. B. Reynolds was elected president; T. W. Blackburn secretary and treasurer; Samuel B. Smith, C. R. Porter, Charles E. Dark, B. H. Robison and I. M. Hamilton, the executive committee, the officers named being ex-officio members.

The convention adjourned after agreeing to hold the first annual meeting at Lookout Mountain Inn the following fall, the date afterward being fixed by the executive committee for Sept. 28-29, 1906.

BY the close of the Chattanooga meeting the members reached 32 and steps were taken to organize the Legal Section. Although a brief program of papers characterized the St. Louis organization meeting the first ambitious program was presented at Chattanooga and the new association of life insurance companies, the first of its kind in America, made its bow to the life insurance world.

In December following the Association of Life Insurance Presidents was organized at a conference in New York City, the only company in the American Life Convention which was invited to participate in that organization being the Volunteer State Life of Chattanooga, Tenn., and ex-President Grover Cleveland was elected to guide its destinies.

It will be observed that the western companies moved first for a company



organization, a year before the eastern companies thought it worth while to attempt any form of cooperative association. The two organizations now represent a total membership of 174 American companies and nine Canadian companies. There still remain outside both organizations more than 60 companies, but it may be truthfully suggested that the American Life Convention and the Association of Life Insurance Presidents severally represent at least 90 percent of all the legal reserve life insurance activities of the United States and working together are a force of great influence for the welfare of policyholders and the business. It is a significant fact that there is little occasion for friction and that 18 companies are members of both organizations and that only one of the large companies of America, the Northwestern Mutual, belongs to neither.

THE destinies of the American Life Convention have been successfully

directed by the executive committee. When it is remembered that the following names appear in the lists of executive committeemen, most of whom have served as presidents, it is not difficult to understand why the American Life Convention is now the largest and most effective force in legal reserve life insurance: Messrs. J. B. Reynolds, C. E. Dark, M. A. Woollen, B. H. Robison, Isaac Miller Hamilton, Samuel B. Smith, T. W. Vardell, P. D. Gold, Jr., George A. Grimsley, Charles F. Coffin, Harry L. Seay, Thomas L. Miller, W. A. Lindly, E. W. Randall, E. G. Simmons, H. W. Johnson, C. G. Taylor, Jr., Guilford A. Deitch, W. K. Bellis, Felix G. Cross, Henry Abels, L. J. Dougherty, George Graham and H. R. Cunningham.

THE membership has stood manfully behind the executive committee and for nearly 17 years the American Life Convention has moved forward continually without feud or faction, a thoroughly democratic institution, having at all times absolute power to approve

and disapprove. At any annual meeting the administration can be taken from any existing executive committee by electing a president and three new members of the committee. The leadership has been wise and efficient. The organization has at all times been a militant, independent and fearless force for the good of the great business it represents.

Its accomplishments have been many and important. The chief of its accomplishments, however, has been the creation of a cooperative sentiment backed by a surprising unanimity of purpose.

THE two original principles which were fundamental and the occasion of the creation of the convention—state supervision and recognition of the preliminary term method of valuation—are comparatively unimportant. Federal supervision now seldom receives any consideration. It is a dead issue. Actuarial science approves and all the states but Massachusetts and New York recognize the preliminary term method of valuation as safe, sound and scien-

tific. The convention has consequently turned its attention to more practical topics and cooperating with the National Convention of Insurance Commissioners, the Association of Life Insurance Presidents, the National Association of Life Underwriters and the Association of Life Agency Officers, the great institution of life insurance has come into its own.

IT would take up too much space and too greatly extend this review to recite in detail the good work accomplished in the past. Sufficient to close with the remark that the American Life Convention, its Medical Section, its Legal Section and its varied activities are indispensable to the welfare of the companies, their policyholders and the public. Without in any way appearing as the rival of other organizations, it holds its place, performs its functions and remains and will continue a most important means and opportunity for constant, effective, cooperative advancement of life insurance in its broadest sense in America.

# Advances Seen in Casualty Field

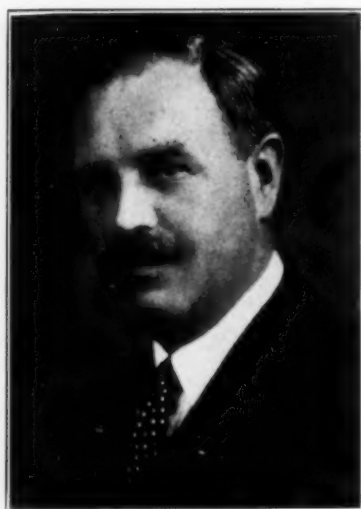
BY A. DUNCAN REID

I HAVE been asked as president of the International Association of Casualty & Surety Underwriters to tell something about conditions in the casualty and surety business as they exist today.

One's first thought in trying to answer the inquiry is to say that casualty and surety business, broadly speaking, is in a much more healthy condition today than it has been at any time in its history, and I believe this conclusion is justified by the facts.

ONE has only to cast his mind back a relatively few years to recall, for instance, the underwriting conditions in employers' liability, and also the early days of workmen's compensation, to realize the tremendous advance, as well as improvement, that has been made in the underwriting of this class of business. The mass of statistics now available and being used in the preparation of rates and in the refinement of rates on workmen's compensation is not fully appreciated by the insurance fraternity and obviously the public. When one considers the billions of dollars of payroll reported in connection with these risks, from which flow the industrial accidents, and the indemnities provided by the compensation laws and the actuarial working out of the results, one must realize that the basic cost is gradually arriving at a point of reasonable stability. Stock companies still continue to justify their existence and the confidence of purchasers of compensation insurance is still maintained by the stock companies to a substantial degree. We must necessarily anticipate competition of mutuals and state funds. Perhaps, in some respects they are not unmixed evils.

AUTOMOBILE insurance, like workmen's compensation, has developed very large exposures and the resultant experience is again bringing the basic



Mr. Reid is a strong organizer and a constructive force. Stalwart in his physical make-up, he has an impressive and forceful personality. He is a man who knows how to do things, and he does them.

A. Duncan Reid, president of the Globe Indemnity and president of the National Association of Casualty & Surety Underwriters, is a well known figure in the casualty world. Mr. Reid has been connected with the business for many years. Even before he got out of his teens, he was with the Canadian department of the London Guarantee & Accident. When the Ocean Accident & Guarantee entered the Dominion of Canada in 1893 Mr. Reid was appointed agency manager for the territory. Five years later he joined the staff of the company in the United States as executive superintendent establishing its casualty agencies on this side of the line. In 1911 he accepted a proposition to organize the Globe Indemnity, becoming vice-president and general manager. For the last three years he has been at the head of the company.

cost to a point where guesswork is very materially limited. In this connection one cannot overlook the fact that the tendency toward larger verdicts on the part of juries for street accidents resulting from the operation of automobiles is increasing very materially, and the agent who fails to urge his clients to purchase limits in excess of \$5,000-\$10,000, is assuming a very real responsibility with conditions as they are today and as they will be for many years to come.

The accident and health business continues to be unsatisfactory. A glance at the underwriting results of individual companies or a group of companies, covering their accident and health experience for recent years,

clearly proves that there is room for real constructive improvement and it is to be sincerely hoped that the company officials see the handwriting on the wall sufficiently to bring about a reform.

BURGLARY insurance during the past few years has gone through the worst experience of its existence. Increasing losses have been a serious burden on the companies. Above all, the companies have been called upon to pay for losses arising under circumstances which a few years ago were considered exceedingly remote and involving a minimum of hazard. The serious loss ratio in this class of business has been recognized by the executives of the

companies and there has been a real effort made to improve not only underwriting conditions and methods but some of the basic principles which surround the writing of the business, with a probable effect of bringing about more satisfactory results in this class of business as a whole.

THE volume of business of fidelity and surety continues to enlarge and develop. The increase in the volume of this business is due not only to the increasing recognition of the need for this form of protection but also to the general evolution of the business itself. Bonds of various classes are being issued today which were unknown a few years ago. Fortunately for the companies, they have recognized the wisdom of studying loss costs and conditions, and while it is generally recognized that it is difficult to determine the actual loss ratio on a given year's business until several years have passed, it is generally believed that the business is on a reasonable underwriting basis, which with the application of experience and conservative acceptance of risks produces a comfortable condition.

ONE would be unreasonably optimistic if he failed to recognize that the casualty and surety business is still going through a process of evolution and that many problems of a very serious and vital character still have to be solved before it can be regarded as being upon a definite and secure basis, and in this connection it can be properly said that the business as a whole needs the best intelligence, integrity and industry that it is possible to develop and that there is room for the best brains and ability obtainable, providing a real future for the ambitious, progressive young men of the present generation for development into executives and administrators of this large factor in the business of this country.

# Twenty-five Years of Service

**I**N 25 years THE NATIONAL UNDERWRITER (started as The Ohio Underwriter Feb. 4, 1897) has grown from the smallest to the largest American insurance journal—and that means the largest insurance journal in the world. Starting as a bi-weekly insurance journal covering one state, its service now embraces a broad local and general news service, for all branches of the insurance business, for all states.

The story of THE NATIONAL UNDERWRITER is the story of modern business journalism, and particularly of insurance journalism. Insurance journal service has changed completely in the past 25 years and for this change THE NATIONAL UNDERWRITER is largely responsible. It has been the pioneer in the development of the ideas of service to the business through a large circulation, an independent attitude, a specialization in all the branches of insurance as well as a localization of news in each state and section. While primarily a newspaper, its service is three-fold: In addition to a news service through several hundred local correspondents, it specializes in insurance salesmanship and business development ideas, as well as in the treatment of practical underwriting problems, statistics and semi-technical and educational subjects.

**I**T was a success from the day it started and has enjoyed a large increase in its business each and every year since. This has been because it has relied upon a single principle for its success and that has been to give the largest amount of practical service of which it was capable, with only secondary consideration to profit making. Up to Jan. 1, 1917, its subscription price was \$2.50 per year, which was the lowest of any weekly insurance paper with one exception and that covered a local field; yet, it was the largest in point of size, employed the largest number of editors and paid most for its news service. This was made possible by close economy, and by the large circulation and advertising patronage which it commanded.

**W**HILE it has been well said that the best definition of anything is to tell how it came to be, this article will not record the victories of the past but will tell what the paper is and what it does. In spite of the fact that there are some 60 insurance journals in the country, which has made it somewhat difficult for one paper to secure sufficient patronage to enable it to give an all-embracing service, THE NATIONAL UNDERWRITER has now reached the point where it is suited alike to local agents, field men, general agents and company officials, in all three branches of the business, fire, life and casualty.

**M**AIL SERVICE: In presenting the advantages of THE NATIONAL UNDERWRITER, we cannot do better than start by showing its unusual printing and mailing facilities. Subscribers within several hundred miles of Chicago have

been astonished to receive their papers on Thursday, the day of publication. It contains items of news given out in New York or San Francisco the evening before. If there were space an interesting chapter could be written showing how this is accomplished: The editorial staff is furnished with an office at the giant printing plant which turns out THE NATIONAL UNDERWRITER and some 30 or 40 other periodicals and within ten minutes after news is received by telegraph on Wednesday it is in the hands of the linotyper and perhaps an hour later in the form ready for the press. Probably only in Chicago or New York are to be found these great specially equipped printing offices, running 24 hours a day, able to turn out a paper the size of THE NATIONAL UNDERWRITER in a single day complete, if necessary. Certain it is that THE NATIONAL UNDERWRITER, a paper in two sections averaging 80 pages per week throughout the year, actually beats the great Chicago daily papers,

they are rushed in a special truck to the railroad station. The daily newspapers of Chicago do not commence to move out until 1 o'clock in the morning—several trains carrying THE NATIONAL UNDERWRITER leave before midnight.

**A** WORD about the news service itself: While it is true that New York, Boston, Hartford, Philadelphia, Baltimore and other eastern cities are prominent home office centers, Chicago both geographically and insurancewise is the one city, with the possible exception of New York, where insurance interest and news are to be found in greatest abundance. The Insurance Exchange Building, in which THE NATIONAL UNDERWRITER is located, houses a greater variety of insurance interests than any other building in the world. But THE NATIONAL UNDERWRITER is not merely a Chicago insurance paper. It has an office in Cincinnati as large as its Chicago office, and has had for several years an

THE NATIONAL UNDERWRITER has continued through a quarter of a century under the same management. The founder of the paper, who started it in Cincinnati in February, 1897, Edward Jay Wohlgenuth, is still the active head, being president of the publishing company. The first edition of The Ohio Underwriter, as it was known then, was a very simple looking paper with 16 pages. It was devoted to one state. Since then, THE NATIONAL UNDERWRITER has grown into a publication covering the whole country. In addition to publishing the paper itself, The National Underwriter Company publishes a number of insurance directories and a large number of books. It has an extended life insurance service, including the publication of the "Unique Manual Digest" and the "Little Gem." It has recently taken over the Argus Fire Insurance Chart and the Argus Casualty Chart. It publishes the Diamond Life Bulletins. It is affiliated with the Rough Notes Company of Indianapolis, acting as sales agent for the Rough Notes publications and supplies. The National Underwriter Company also publishes two monthly papers, the "Casualty Review" and "Fire Protection." The weekly edition of THE NATIONAL UNDERWRITER, even in normal times, now runs 72 pages, being published in two sections, fire and life. The growth of THE NATIONAL UNDERWRITER during the last 25 years is typical of the growth of all lines of insurance.

with the best facilities of any in the country, in delivering to subscribers all over the country.

**O**NE of the things that gives THE NATIONAL UNDERWRITER the right to the title "the great American insurance journal" is its location at Chicago, in the center of the country, easy of access to all points, with the printing, postoffice and railroad facilities which Chicago only can give. THE NATIONAL UNDERWRITER goes on the press at 6 o'clock Wednesday evening; within an hour the mailers are at work on the first copies, getting them ready for the first great mail train which goes through to the Pacific Coast, reaching San Francisco 61 hours later, or on Saturday morning in time for an early delivery. A couple of hours later the eastern sacks for New York state, New England, New York City, Philadelphia, etc., leave Chicago, and are delivered Friday morning, having reached destination the night before. Wisconsin, Iowa, Illinois, Indiana, Kentucky, Ohio and Michigan subscribers should for the most part receive their papers on Thursday.

To accomplish this, papers do not go through the Chicago postoffice at all; a special weigher stands ready at the printing office to weigh the sacks as they are made ready for each train, and

office in New York City which will be enlarged from time to time and which handles the eastern interests, in order that the paper may be truly national in scope. In addition it has its correspondents who make the rounds of the insurance offices once a week for news in each of the cities of importance in the country. On its staff of editors it has eight experienced insurance writers, with special editors for each branch of the business. All of these men have had years of training in insurance newspaper work and are recognized as among the most capable men in insurance journalism.

**N**EWSPAPERS OF THE STATES: Each state or section has its local news, gathered by men on the ground. As a rule THE NATIONAL UNDERWRITER has a correspondent in each of the state insurance departments, sending in the official rulings and news of the states. Company officials and others having important news to give and wishing wide publicity often withhold publication until Thursday so as to be included in THE NATIONAL UNDERWRITER and other Thursday publications. Many insurance men recognize THE NATIONAL UNDERWRITER as the best medium of publicity and voluntarily give it their news, often exclusively.

**A**S stated, the history of THE NATIONAL UNDERWRITER is the history of modern insurance journalism. When the paper was started 25 years ago there were some 60 insurance journals in the field but few regarded circulation of much, if any, value, or sought it, while advertising was also regarded as having little value in itself, but was considered in the nature of a subsidy or payment for "general service to the business." THE NATIONAL UNDERWRITER changed all that and brought insurance journalism to the standard which has been reached in most of the other fields of modern trade and technical journalism.

**I**N the first place it went hard after subscriptions; it solicited virtually no advertising until it had reached a certain circulation; and then, it solicited advertising on the basis of merit alone and the value of the circulation through the advertising. On the other hand, it refused to accept support as such from the companies; it took an independent position and solicited advertising only on the ground of giving value received in the advertising itself. In the early days it frequently returned checks in payment for articles or editorial support. It has never given writeups in return for advertising, but has used its reading columns solely with a view to furnishing its subscribers the greatest amount possible of interesting news, discussion and instructive articles. The result was that the rank and file of insurance men began to read insurance journals, and often it was THE NATIONAL UNDERWRITER, then the Ohio Underwriter or Western Underwriter, which they selected.

**I**T used to be a humorous comment in insurance journal circles that nobody ever read the papers and none but the insurance men in the larger cities subscribed for them. A few companies sent out free copies of certain papers, which was in the nature of a subsidy, and it did not occur to the average agent in the small town that it was up to him to buy and pay for an insurance paper that could give him real service. Having begun to pay for a paper, he began to read it, and with avidity. In the early days of the paper, and to this day, it is no uncommon thing for an agent in a small town to go down to the postoffice and get his paper himself so as to receive it a little earlier than if it were delivered by the postman.

THE NATIONAL UNDERWRITER demonstrated the fact that the average local insurance man is interested in the big insurance questions of the day and in the national as well as in his state news.

**T**HE effect of this changed attitude has had a great effect in the insurance business. Since the beginning of THE NATIONAL UNDERWRITER most of the insurance organizations of agents in the various branches have been formed and these associations have had a wonderful growth. They could not have been started in the days when agents did



not read insurance papers. Many of the reforms and improvements of the business have come through these organizations. The wonderful growth of insurance during the past 25 years has been due to the great development of the insurance field man, who has educated the public to the possibilities and needs for insurance. THE NATIONAL UNDERWRITER created an insurance news service, spent thousands of dollars in developing it, and many more thousands in sending traveling men to the cities and towns of each state and securing their subscriptions, interesting them in the larger questions of the business. THE NATIONAL UNDERWRITER does not claim to have done all this work alone, but any student of the insurance business and of insurance journalism must concede that the insurance press has been an important factor.

**ADVERTISING VALUE:** It is a very narrow view to state that the only value of an advertisement in an insurance paper is as a means of directly securing applications for agencies. As a matter of fact, we regard this as the least in value of the results secured through a company's advertising. Every insurance man is, or should be, an authority on all insurance in his community. His opinion on the merit of any company is in a large measure what determines the success of that company in the community. Every company has its good points or it would not be in business long. If a company stands well in the insurance community, if those in a position to know have a good opinion of it, and its good points are well advertised among the men who ought to know about it, that good opinion and the advertising is worth something, and a part of the company's assets.

**THE** claim has been made by non-advertisers that insurance journals do not reach the public, who buy insurance, and, therefore, that it is of no value, but insurance papers do reach the public by reaching and informing the men who inform the public in their insurance matters, so that aside from any value in the matter of securing agents, insurance journal publicity is of the greatest value in influencing the buying public. THE NATIONAL UNDERWRITER is almost the sole source of insurance information to many agents located in 2,500 cities and towns. How widespread its influence is may be estimated. If there is any value in any kind of advertising, there is surely value to an insurance company in the advertising columns of a widely circulated insurance periodical.

**IT** is as the great educational service arm of the insurance business that THE NATIONAL UNDERWRITER justifies its existence. Much of the development has come through the interchange of ideas which first found printed expression in the columns of THE NATIONAL UNDERWRITER. Such a paper is quite different from the old writeup, writedown style of paper. Standing on an independent business basis, it has served not the individual company or agent, but the business and the public as a whole. Its editors have sought to find the methods

and means by which insurance men could give greater and more economical service.

Second only in importance to its news service has been its instruction in modern salesmanship, methods and ideas, in education on insurance matters and in encouraging and stimulating articles which have helped insurance men to develop their highest powers, and, lastly, it has discussed intelligently and shown the why and wherefore of current events, the trend of developments, and the semi-technical and actuarial underwriting problems of the business. Feeling that these special fields deserve special treatment, it has established separate monthly papers, devoted to the salesmanship and underwriting problems of the various branches of insurance and these publications enjoy a wide circulation of their own.

THE NATIONAL UNDERWRITER has always recognized the general insurance agent in the average city or town as the unit of its system of news and service, realizing that around him revolve the efforts of company field men and general agents, and that the backbone of an insurance journal circulation must be the average man who secures the business and maintains an office for transaction of all or nearly all classes of insurance.

**FIRE INSURANCE:** In addition to the general news, salesmanship and other educational service, some special features have been developed in fire insurance worthy of mention. One of the best has been the department "Pointers for Local Agents," which is a question and answer column on all the intricacies and problems of the fire insurance business. Company officials, rating authorities, insurance lawyers, state insurance departments and many other experts have been called into the service of answering a host of inquiries fired at the paper along every conceivable line, and the result has been a mass of valuable material which has for several years past appeared from week to week in the columns of the paper. So valuable has this been that as a result of the insistent demand of many subscribers, some years ago the first edition of "Pointers for Local Agents" appeared and since then several enlarged editions have been published, containing the best things of the "Pointers" column.

Since its first issue the managing editor has maintained a department of comment and observation which under the heading "Seen from Chicago" is relied upon in insurance circles everywhere as a sane and intelligent comment upon underwriting conditions from the Chicago headquarters viewpoint. Every problem of underwriting as it develops in one of the largest cities of the country is treated at first hand by the editorial staff.

**ONE** of the most interesting departments of the paper is the comment from New York written by a trained observer, a writer in close and sympathetic touch with all phases of the business. New York is the great head office headquarters. THE NATIONAL UNDERWRITER recognizes this by giving it prominence in every issue.

Shortly after the first of the year,

long before the preliminary reports of the various state insurance departments are issued, are published, not only the annual statements of all the companies, but statistics of state business, compiled as fast as they are reported by our own correspondents at the various state insurance departments. Nearly every minor branch of the insurance business is recognized by a special department, such as automobile insurance, live stock insurance, and the various major casualty lines.

Aside from the big national conventions there are numerous state conventions of the various agents and field men's organizations and THE NATIONAL UNDERWRITER always has a special reporter on hand, frequently issuing a special edition for the state conventions and always covering them in full.

These are only a few of the special features which make THE NATIONAL UNDERWRITER the favorite paper of fire insurance men everywhere.

**CASUALTY INSURANCE:** This department is in charge of men with many years' experience, who give especial attention to the casualty business. Casualty insurance men generally, without regard to the section in which they are located, regard THE NATIONAL UNDERWRITER as the best casualty insurance journal. In addition, THE NATIONAL UNDERWRITER COMPANY publishes the only exclusive casualty insurance journal in the business, the "Casualty Review," a monthly publication devoted to the general problems of accident and health insurance, salesmanship and developments in the business. This paper may be obtained in combination with THE NATIONAL UNDERWRITER at a low price.

**LIFE INSURANCE:** It is in the field of life insurance that THE NATIONAL UNDERWRITER feels that it is giving possibly its greatest service. It has had the advantage of direct and close relationship both with the old established eastern companies and the large number of progressive and rapidly developing young western companies. It has kept fully abreast with all lines of life insurance development. In life insurance THE NATIONAL UNDERWRITER is not merely a newspaper and a salesmanship and educational magazine; it also deals extensively with semi-technical and actuarial matters. To recount its activities in the development of new life insurance ideas, the correlating of experience of the various companies, its investigation of a host of interesting subjects through its unsurpassed facilities, would take more space than can be given here.

**A FEW** years ago it established a special life insurance statistical department and commenced the publication of the Unique Manual-Digest, which is a complete annual digest of life insurance statistics, policy contracts, premium rates and surrender values, dividends, net cost, and a vast amount of life insurance information, making up virtually a pocket encyclopedia of the business. This has put it in an especially favorable position to deal with life insurance matters and it has

maintained a weekly supplement of the Digest in the columns of the paper, in which is given each week, as fast as it comes out, the new information which is so much valued by agents in the field and so difficult to secure.

It maintains a special department each week devoted to the various associations of life underwriters and has always been a steadfast reporter of the association movement. It maintains a number of special departments on life insurance, particularly a salesmanship section, which are highly thought of.

**ONE** of the distinct services of THE NATIONAL UNDERWRITER is its various convention and special issues. Following the conventions of the National Association of Insurance Agents, the National Association of Life Underwriters, the American Life Convention and the Health & Accident Underwriters Conference, it gets out an edition covering the proceedings of the meetings, giving the papers, discussions, comment, side lights and interesting points. These conventions are covered by trained observers, who are able to draw out of the convention the real meat, bringing to the fore features that have a gripping appeal. Very often this paper will have a half a dozen men at a convention all looking at it from special standpoints.

THE NATIONAL UNDERWRITER has been the pioneer in promoting the interest in state associations of insurance agents. State convention issues give in compact, yet most interesting way the story of these conventions. This adds local color to agency work. Much interest has been stimulated in the state associations through these special issues. For instance, in Texas, New York, Wisconsin, Iowa, Michigan, Illinois, the prestige and power of the state bodies have been increased because of these numbers. In its annual automobile and hail insurance numbers THE NATIONAL UNDERWRITER has been able to lend great service to the business. In these special service numbers appear sales arguments, contributions from experts, statistics, illustrations and helps of various kinds. Insurance companies recognize the value of these service numbers.

**ASIDE** from what appears in type the papers like THE NATIONAL UNDERWRITER render a large service to the business. They are the centers of insurance information. They are appealed to on all sides by persons who are writing essays or those who have to give talks to business bodies. Hundreds of inquiries are received every week as to the standing of this company or that. People seeking employment and companies seeking men appeal to the insurance papers. Their offices are visited by company officials, field men, agents and office employees for information of various kinds. The papers render a tremendous outside service which never appears on the surface. The members of their staff are asked to speak at meetings or help in preparing programs and arranging banquets. They are appealed to to secure speakers for conventions and the like. These few instances are cited just to show what a



multitude of duties the staffs of insurance papers are called upon to perform.

ONE of the modern developments in the work of THE NATIONAL UNDERWRITER is its advertising service department. Many companies do not have their own advertising department. Their officials are not students of advertising and but few of them appreciate the kind of copy that makes the

greatest impression on insurance people. THE NATIONAL UNDERWRITER has a service department that studies the needs of each company, gets out copy, arranges for the typographical display and, in fact, acts as advertising advisor in all respects. It has been found that general advertising agencies and men do not know how to write advertising copy for insurance papers. It takes an insurance atmosphere and one who knows something about in-

surance companies to get out proper advertising copy. Each company has its individual traits and talking points. The advertising service man must study each company and adapt the advertising copy to its special needs.

One man on THE NATIONAL UNDERWRITER staff gives all his time to the so-called "make-up" of the paper. He arranges for all advertising changes, places the advertising in the paper and then on

press days takes charge of the actual "make-up" of the paper for the press. This is a position requiring great patience. There is much detail in regard to it. Thus advertisers get a specialized and trained service, not only in the preparation of their copy, but in the placing of their advertisements in the paper. The whole work is studied from many standpoints. This service is part of the evolution of the modern insurance newspaper.

## The Life Presidents' Association

SEVENTEEN years ago the life underwriting fraternity of the country was rocked from center to circumference through the disclosure of practices shown to exist in the affairs of certain life companies, and from which the life insurance business as a whole suffered severely.

In 1905 the New York legislature, in response to a public demand for such action, appointed a joint committee, consisting of three members of the senate and five members of the assembly, which it directed to proceed to investigate and examine into the business and affairs of life insurance companies doing business in the state of New York, with reference to the investments of said companies, the relation of such companies to subsidiary corporations, the government and control of said companies, the contractual relations of said companies to their policyholders, the cost of life insurance, the expenses of said companies and any other phase of the life insurance business deemed by the committee to be proper, for the purpose of drafting and reporting to the next session of the legislature such a revision of the laws regulating and relating to life insurance in this state as said committee may deem proper.

THE committee began its session in New York city Sept. 6, and met almost daily until late in December. Charles E. Hughes, then a leading member of the bar, and now secretary of state of the United States, was chief counsel for the committee and directed the inquiry, having as aids men skilled in various phases of life insurance work. As an upshot of the hearings a number of which were highly sensational, changes in the administration of several life companies were forced, and a series of laws adopted by the state, the purpose of which was to make difficult if not impossible a repetition of the abuses in the business shown to have obtained; statutes that on the whole have proven effective and have inured greatly to the benefit of the policyholders.

BECAUSE of the accounts of the investigation that appeared in the daily press the institution of life insurance was largely discredited, and the business of all companies suffered severely. Many agents who had been long in the service became discouraged with conditions and sought employment in other lines. Managing underwriters, appreciating that, however reprehensible may have been the actions of certain companies in the past, the business of life insurance was funda-

mentally upon a solid basis and the great majority of the institutions engaged in supplying the indemnity were honestly and ably conducted, determined that something must be done to restore the confidence of the general public in the beneficent plan of life insurance. The outcome of their deliberations was the determination to form an organization to be known as "The Association of Life Insurance Presidents," and this was effected in December, 1906.

THE object of the association was concisely set forth in its constitution to be as follows:

"To promote the welfare of the policyholders.

"To advance the interests of life insurance.

"To promote economy and reduce expenses in matters of general administration by an interchange of views on practice among life insurance companies.

"To consider carefully important measures that may be introduced from time to time in legislative bodies, with a view to ascertaining and publicly presenting the grounds which may exist for their adoption or rejection by the legislature.

"To consider anything that may be suitably a matter of general concern to the life insurance business."

Membership in the organization is confined to presidents and vice-presidents of the regular life insurance companies of the United States and officers of the same standing in Canadian companies doing business in the United States. The executive officer of the association is known as manager and is elected annually, while membership upon the executive committee is made up of seven company officials, who are likewise chosen each year.

THE first general manager selected was the late Grover Cleveland, a former president of the United States and a man in whose integrity the people of the country had implicit confidence. At the same time Robert Lynn Cox, a prominent Buffalo attorney, and who as a member of the assembly had served upon the Armstrong Investigating Committee, was elected secretary. Mr. Cleveland continued in office until his death in June, 1908, when Mr. Cox was made general counsel and manager of the association, so serving until November, 1916, when he resigned to accept a vice-presidency of the Metropolitan Life, a post he still holds. George T. Wight, who had been Mr. Cox's chief aid, was made secretary of

the organization in April, 1911, and some six years later was elected its secretary and manager, being rechosen to the office each succeeding year. In addition to Mr. Wight the present officers of the Association of Life Insurance Presidents are: Job E. Hedges, general counsel; Frederick C. Dunham, attorney; George W. Smith, actuary; Orlow H. Boises, statistician, and Mott A. Brooks, assistant secretary.

The executive committee as elected at the latest annual gathering, is made up of George T. Wight, chairman; Louis F. Butler, president Travelers; George I. Cochran, president Pacific Mutual Life; William A. Day, president Equitable Life of New York; Forrest F. Dryden, president Prudential; Haley Fiske, president Metropolitan; Alfred D. Foster, president New England Mutual Life; Frederick Frelinghuysen, president Mutual Benefit; Fred A. Howland, president National Life of Vermont; Darwin P. Kingsley, president New York Life; Charles A. Peabody, president Mutual Life, and John D. Sage, president Union Central Life.

ONE of the most important functions of the association is to consider bills affecting life insurance interests offered in the federal and in the various state legislatures "with a view to ascertaining and publicly presenting the grounds that may exist for their adoption or rejection by the legislature." Reviewing the activities of the organization in this and in other respects some time ago, covering a nine-year period, Charles A. Peabody, president of the Mutual Life and a member of the executive committee of the Association of Life Insurance Presidents, said in part:

"During that time Congress and the legislatures of the various states have held 258 regular sessions and, in addition, more than 75 special sessions. In these sessions over 10,000 bills affecting life insurance companies and requiring careful scrutiny by them were introduced. In verbal volume this flow averaged during the 'open season' for corporation baiting more than 15,000 words a day. In purpose and intent these bills ranged from control of what agents might say in their canvassing activities to direction in detail of how books should be kept and accounts rendered by the home office. They even directed the formulation of the contracts which might be made with policyholders and specified the periods of time under which companies would be obligated to fulfill their side of the contracts even after policyholders had defaulted in their payment

of premiums; to the disadvantage, of course, of their persistent fellow-policyholders. In this flood were included many proposals to increase by vast amounts the six or more separate and distinct varieties of taxation already existent, under which policyholders have actually contributed to the support of government during these same nine years over \$105,000,000.

"An attempt to classify these legislative musts and don'ts shows 70 separable and more or less distinct species, with several hundred left over for the miscellaneous column, because they were unlike anything ever proposed before.

"HERE, therefore, do we find at least one reason, and it seems to me a very potent one, for maintaining an association and manning it with specialists in the field of law-meaning and law-making, to the end that this vast mass of legislation may be analyzed from the standpoint of policyholders' interest with a view to showing legislators what would be the effect of such laws if they were placed upon the statute books. While other business institutions and even the states themselves are now establishing bureaus for the giving of expert advice with reference to proposed legislation, life insurance companies were induced to take the lead in this movement because of their extensive and intimate relation with the public at large under contracts involving not merely one transaction, but a continuing series, limited in period of time only by the years their policyholders may live. These long-term contracts reaching back into days when statutory control of business had been little thought of in this country and the business was in its infancy, practically compelled life insurance companies to point out to legislators the effects of pending legislation on existing contracts, which the legislator himself had never intended when preparing his bill to control future action under modern conditions.

"ON the other hand, there has been reason for the enactment of many laws needed to meet new conditions, and, as to this, such an association as I speak for is equipped to give valuable aid and advice by pointing out what can be done to protect the public against that which is bad, without destroying or seriously interfering with that which is good. It is along this line that I feel the Association of Life Insurance Presidents has perhaps been most useful. At any rate, we know that during the nine years referred to,

while there have been enacted at least 730 statutes directly affecting the interests of life insurance policyholders—many of them being complete insurance codes—with but few exceptions they have not been seriously harmful to reputable life insurance companies.

**"A**NOTHER important object of our association, as expressed in its constitution, is 'to promote economy and reduce expenses in the matter of general administration by an interchange of views on practice among life insurance companies.' In other words, to maintain a clearing house of information and a forum in which may be discussed all questions relating to the betterment of life insurance service.

"This is a very broad field of interest and at times one difficult to occupy without conflicts such as are likely to spring from varying individual opinions and interests. We have, indeed, had occasion to recall at times Mr. Morton's prophecy at our first meeting 'that clouds will now and then hang over us; that temporarily we will entertain poor opinions of one another's views,' yet on the whole such discussion has been most useful and has always worked to the advantage of our policyholders.

"When we come to realize that these discussions and inquiries, largely related to technical subjects having directly to do with the proper management of the life insurance business, have actually resulted under a provision for 'an interchange of views on practice of life insurance companies,' it will, I think, be conceded that the association has rendered a most valuable service to its members acting in their capacities as trustees for millions of American policyholders.

**"I**T has been estimated recently that nearly 4,700 statutory requirements or prohibitions relating specifically to the life insurance business are to be found in the laws of the various states. Among these are 946 imposing specific penalties for failure to observe the law's command. In many instances nothing short of a last guess by the Supreme Court can establish with certainty what the law in question really means. It would be sufficiently difficult to carry on a business under such a multiplicity of laws if they were in one code and applicable alike in all states. But, in fact, there is great dissimilarity between the laws of different states. With such a maze confronting each company the Association of Life Insurance Presidents undertook the preparation of a card index of statutory requirements on which were noted, under appropriate classifications, the numberless provisions governing the conduct of this business. This card index was placed in the hands of members and is kept up to date by reprinting cards as occasion may require. It covers not only laws, but, to some extent, rulings of commissioners, opinions rendered by attorneys-general and important court decisions.

**"A** FEATURE of this index is a card calendar of statutory requirements on which notice is given of things which must be done throughout

the year, such as filing statements, making tax returns, securing renewals of licenses, etc. An examination of these cards shows that in order to retain the right to do business in the different states or to avoid the payment of penalties, there is not a single month in the year when there is not required some compliance with statutes on which depends the company's right to continue doing business in some of its territory. So numerous and so onerous are such requirements and so many the days on which prompt attention is of prime importance that most of the larger companies maintain a bureau, the function of which is to determine what must be done and to see whatever is needed shall be done within the time limit imposed by the statutes of the several states in which the companies are doing business.

**"A** FEW years ago statutory regulation, in detail, of the life insurance business was left largely to less than a half dozen states which had

organization of and progress being made by life insurance companies throughout the United States. It is arranged, classified and indexed under about 900 main headings and 200 sub-headings.

**"I**NASMUCH as this business has been brought under direct control and guidance of insurance departments in the several states, it becomes necessary to have at hand up-to-date information regarding the personnel of these various departments. Since they are more or less subject to the vicissitudes of partisan politics, a great many changes take place in the heads of such departments, to say nothing of changes in the positions of deputies, actuaries, inspectors, etc. Information regarding these changes is gleaned from the association's clipping service and furnished to members by means of a bulletin service covering this and other matters of current interest and importance.

*The Association of Life Presidents has been a constructive force, not only along legislative lines but in the way of bringing company heads and other executives together. It has followed the custom of inviting the presidents of all legal reserve companies, whether they are members of the association or not, to attend its annual meetings. Most of them take advantage of this opportunity. During the week of the meeting of the Life Presidents Association there are a number of gatherings in New York City, which call insurance men there. The Insurance Commissioners Convention has a number of committee meetings and hearings at that time. The programs of the Association of Life Insurance Presidents have been particularly helpful and inspiring. They have been devised to bring out discussion of some central theme pertinent to the work of life insurance. Thus the Presidents Association has given to insurance men and the public in general a literature that is extremely valuable. Contributing to these symposiums, there have not only been life insurance men, but those in various lines of endeavor.*

taken the lead in the matter. Now the tendency seems to be toward each state enacting a complete insurance code of its own, thereby multiplying very greatly the danger of legal entanglements. As there seems to be no tendency toward repeal of these laws, it is not difficult to understand why it is advantageous for companies to co-operate in their efforts to keep informed regarding what the various laws require of them. Generally speaking, it is not possible to rely on a moral sense of what is right or wrong, since there are numberless instances in which what is legal and deemed perfectly proper in one state has been made unlawful and is regarded as heinous in another. In fact, the number and variety of penalties imposed for violation of statutes relating to our business sometimes make us wonder that any executive officer is able to remain at large.

**"T**HE library of the Association of Life Insurance Presidents has its chief distinction and perhaps its greatest value in the effort being made to keep its members in touch with current public opinion in so far as it finds expression in the public press. This is accomplished by systematically reading and clipping insurance news as it appears from day to day. This system not only gives information regarding local discussions of life insurance topics but also furnishes data regarding the

**"T**O promote the welfare of policyholders' is another subdivision of our activities, as outlined by the constitution. An important development under this heading has been the effort to prolong the lives of policyholders. Soon after the formation of the association, careful consideration was given to the question of what might be done toward improving the mortality risk among our insured. This study was not designed to produce something in substitution for the present examination of applicants for insurance, but to aid in keeping the policyholders in as good health as when that examination was made. We frankly approached this subject of prolonging the lives of policyholders strictly as an economic or business proposition and not from the sentimental side of longer years for the individual. But, of course, if we succeed in decreasing the mortality factor of cost, policyholders' lives will be lengthened. This, we find, has made a strong appeal to the imagination of our insured, and has excited great interest in our efforts. Therefore, our activities in this field promise to work out satisfactorily in more ways than one.

**"V**ARIOUS other subjects have been taken up under the heading of 'Welfare of Policyholders,' ranging from reduction of the lapse rate in life insurance to the development of contracts designed still further to protect

beneficiaries in the matter of conserving policy proceeds.

"But it is useless to attempt enumeration of association activities under this provision, because in the last analysis it is inclusive of everything that is being done for the betterment of life insurance service. It is all for the welfare of policyholders. The institution of life insurance is fundamentally a cooperative enterprise and in the main is being conducted on the purely mutual or cooperative plan. It is not surprising, therefore, to find life insurance companies thinking of their common interests and preparing themselves to speak for their policyholders collectively rather than for them as they happen to be grouped in the several companies. In this business the words 'rivalry' and 'emulation' describe our strivings with each other more accurately than the word 'competition.'"

**A**NUAL gatherings of the association are held in December, usually in New York City, but two meetings having been held elsewhere, that of 1909 in Washington, which was addressed by President Taft, and in the following year, when the place of meeting was Chicago. New York offers the most convenient center for meetings, the dates for which are fixed at a time in December when the insurance commissioners are holding their mid-winter conferences, and are thus enabled to attend the gatherings of the Association of the Association Life Insurance Presidents as well. Speakers at the organization annual meetings are always men of prominence, either in the realm of statecraft, finance, general business or the professions, and their contributions to the direct or the allied thought of life insurance are of high value. Not the least important purpose of the gatherings, however, is that they serve to bring together once each year the responsible men in life underwriting circles both in the United States and in Canada, and permit of a free interchange of ideas as to business affairs generally that cannot but help being beneficial.

### "Keep It in Family"

**I**N the first issue of *The Ohio Underwriter*, in the casualty department, under the head of "Passing Gossip and Notations," there is a good part of a column devoted to speculation on the purposes behind the incorporation of the Aetna Indemnity Company by people connected with the Aetna Life. An officer of the company is reported to have said, when asked what the course of the company would be, that it would principally be used by the Aetna for reinsurance. "You know," he said, "the accident department of the Aetna pays between \$4,000 and \$5,000 each year for reinsurance, and we thought it would be just as well to keep it all in the family."

At the present stage, the idea of the Aetna Life incorporating a new company to keep \$4,000 of \$5,000 a year "in the family" is positively hilarious.

The Penn Mutual Life is celebrating its diamond jubilee this year. It was organized in 1847 and is now 75 years of age.



# Automobile Insurance in Review

By HOWARD J. BURRIDGE

Associate Editor The National Underwriter

IN looking back over the fire insurance field for a period of 25 years, the class of business that stands out most prominently; that has shown the greatest increases; that has caused the greatest amount of underwriting grief, and that has demanded the closest attention and keenest analysis is automobile insurance. The growth and development of automobile insurance during the last quarter of a century is significant because it has affected the combined loss ratios, adversely or favorably, of all of the important fire companies. Here is a class of business that has pyramided in a manner never before equalled by any other side line in the history of fire insurance.

Most of the fire and casualty companies commenced to take up the writing of automobile insurance about 1908. By 1912 automobile insurance was assuming fairly respectable proportions as a side line. From that year the business grew rather rapidly until in 1915 fire companies collected in premiums about \$15,000,000 and casualty companies about \$22,000,000. Some idea of how the business has grown may be obtained from a consideration of these figures in comparison with last year's receipts, which amounted to about \$75,000,000 for the fire companies and \$85,000,000 for the casualty companies. These figures do not take into consideration the \$10,000,000 or so of automobile premiums collected last year by fire and casualty mutuals and reciprocals.

THE first American company to write automobile insurance was the Boston Insurance Company. The next motor car policies to appear in the American insurance market were those issued by Lloyds of London. These contracts were so favorable to the assured that a great majority of motorists selected them in preference to the indemnity offered by the Boston, and by other domestic and foreign stock companies. Lloyds original policies were known as forms No. 1, 2, 3 and 4. They included a \$50 deductible collision clause. The broker or agent placing the business was required to inspect every car, and was allowed a fee of \$5 in each case in addition to the regular commission. The assured, however, was compelled to pay the inspection charge. After Lloyds had been writing a few years the \$5 fee was abolished, and the deductible collision clause was reduced first to \$25 and later eliminated entirely.

AS the possibilities of the automobile field were more generally recognized, the British marine companies became more active in the writing of the class. They established themselves in the United States quite firmly in the early days. Ten or fifteen years ago nearly every aggressive agent had in his office the supplies of a marine company writing automobile business. Only a few stock companies were able to offer agents an attractive form of automobile coverage at that time. The marine companies handled their business from New York or from a western general agency.

When the stock fire companies made a serious attempt to establish an automobile writing plant they found the marine companies strongly entrenched. They gradually overcame the advantage held, however, until today the marine companies write only a comparatively small portion of the total automobile premiums collected.

IN a speech before the Fire Insurance Club of Chicago, A. T. Graham, pioneer automobile underwriter of Chicago, said: "The automobile rating system in force in the United States at the present time is so complicated that insurance agents and brokers generally do not pretend to understand it. This system is the outgrowth of the experience and ideas of different interests. It is merely a makeshift that will no doubt have to endure until something

ing factors. Dealers' policies were sold at \$1.50 per \$100. As the automobile business grew, dealers were forced to store their cars wherever they could. They soon outgrew the first rate garages and their excess supply was housed in livery stables, frame warehouses, etc. About 1912 the companies commenced to write automobile insurance on trucks, and have always had a favorable experience on this class. During 1916 and 1917 and until the latter part of 1919, a large volume of finance and embezzlement business was written. As most automobile underwriters know, nearly all of the cars sold are purchased on the partial payment plan. A concern handling automobile paper finances the owner through a system that is well worked out and complete in every detail. The finance company provides the purchaser with insurance of every kind,

a more encouraging inclination for a couple of years, but gradually it also became a heavy loser for the companies. Toward the latter part of 1919, nearly every company took the position that it would not issue finance business to anyone, and today it is practically impossible for any agent or broker to place a finance line.

THE casualty companies writing collision, liability and property damage automobile insurance have not been forced to make so many changes in their methods of handling the business as have been instituted by the fire companies. Casualty companies began to write automobile business, of course, about the same time that the fire companies entered the field. From the first they issued \$5,000 and \$10,000 property damage limits, following the plan used in writing employers, general and public liability business. There was at first no family coverage interest issued. The policy covered only one person, the driver. For an extra premium of 25 percent, one additional person was covered. Fifteen percent was charged for the second person insured and 10 percent for the third additional person covered. There was no loss of use provided. In 1915, the Georgia Casualty put out a policy covering all members of a family. The next year the other companies met this competition, and then the extra premium for additional persons covered was dropped. In the early days, about 1911 and 1912, the American Fidelity of Montpelier, Vt., which has since reinsured all of its business, was very active in the automobile field. It wrote a comparatively large volume in all of the territory in which it operated. The Aetna and Travelers were active in the writing of automobile casualty lines almost from the first.

FOR a time the American Fidelity, Aetna and Travelers practically had the casualty automobile field to themselves. Other casualty companies were slow to take up the writing of casualty automobile lines. They hesitated to venture in unknown paths. It is rather interesting to read a letter to a Chicago general agent who 16 years ago called upon his manager in New York in an effort to induce him to commence the writing of liability, property damage and collision insurance. In reply to his argument the manager said: "Your suggestion is preposterous! These delicately constructed vehicles, propelled by motor power, and in charge of inexperienced drivers, constitute a great public menace. No intelligent company should undertake such a risk. I would much prefer to insure the liability in connection with a speeding locomotive, with a 10-year-old boy at the throttle, than an automobile running upon the public highway. The locomotive's direction is controlled by the rails. An automobile, guided by frail human hands, is subject to no definite direction or control, and the hazard involved is too great to be assumed by an insurance company."

Casualty companies have traveled far

## TEN UNDERWRITING LESSONS THAT HAVE BEEN LEARNED

In studying the automobile underwriting results for the last 15 or 20 years, and it is only during the last 15 years that an appreciable volume of automobile business has been written, companies have discovered these 10 things:

1. Moral hazard is the most important underwriting factor.
2. No car is intelligently insured that is not inspected and whose owner is not investigated before the policy is issued.
3. Theft hazard depends entirely upon population and local political conditions.
4. Full coverage fire, theft or collision insurance cannot be issued to any assured in any locality at a profit.
5. An additional rate must be charged for accessories or extras.
6. Deductible collision insurance is the only form of collision coverage upon which it is possible to make a profit.
7. No new car should be insured for more than 85 percent of the cost to the owner.
8. Rate increases are not the answer to mutual and reciprocal competition. Intelligent underwriting, nothing less, is the only solution.
9. An automobile insured in the country does not necessarily stay there. It is often subject to the same hazards as the car insured in the large city. The increase in touring and the frequency with which automobile owners take long trips exposes the country automobile owner to large city hazards.
10. The manner in which a company handles its automobile business has a direct bearing upon the volume of fire business written through every agency in which it is established.

better can be devised. It must be remembered that no truly scientific plan of rating can be prepared until actual experience furnishes the data upon which to base it." That was in 1911. Since that time automobile writing companies have accumulated a wealth of experience and reams of data, but it is still true so far as most of those writing automobile insurance at the present time are concerned, that "the automobile rating system in force in the United States at the present time is so complicated that insurance agents and brokers generally do not pretend to understand it."

WHEN the fire companies first commenced writing automobile business, they charged a flat premium of \$2.50 per \$100, irrespective of the price of the car, its age, or any other factors. In those days, only people with money owned an automobile. There was no moral hazard to consider. An automobile was looked upon simply as an automobile, for insurance purposes at least, and there were no other influenc-

and the total obligation is reduced by a series of notes. All automobile sales companies have arrangements of one kind or another with these concerns handling automobile paper. In fact, some of the large manufacturers have themselves organized automobile financing companies.

THIS finance business was at first regarded as highly desirable. Several companies wrote it in large amounts. It was at one time considered quite a feat for an automobile solicitor to land the entire line of an active automobile financing company. Some of the concerns that were financing the purchase of a large number of cars and wielded as a consequence, more or less influence, demanded at first that automobile companies include in their finance policies an embezzlement clause providing for loss by embezzlement or fraud of any kind. The companies that provided this coverage sustained a heavy jolt. It was a big drain upon every company that wrote it. Finance business itself showed



since the day that this particular manager gave expression to this opinion. His views and those of many others now heading casualty companies writing a large volume of automobile business were quickly changed by the marked success of the few casualty companies writing automobile insurance about 1910 or so. Today the casualty companies collect annually about \$10,000,000 in premiums more than are written by fire companies.

It is only in very recent years that companies have fully recognized the heavy loss possibilities of collision insurance. The experience on collision business has been highly unprofitable. Within the last five years it has been found that rarely, if ever, is any profit made where a full coverage collision contract is issued. Accordingly, most companies write almost entirely \$50 and \$100 deductible collision forms. Rates on full coverage collision business have been made so high as to be almost prohibitive. For instance, in 1918 full coverage collision on a Ford touring car in Chicago was \$50. Today the price is \$163, and \$42 for the \$50 deductible. Full coverage collision on a Ford sedan in Chicago costs \$187 today. In 1918, the highest collision premium collectable was \$200, this being on a car listing at from \$9,500 to \$10,000. Today the premium on the same car is \$360.

An accurate history of automobile insurance must record the fact that it has been one long series of underwriting blunders. Automobile writing companies have failed in an almost astonishing manner to properly gauge the hazard introduced by the automobile. Until very recently, last year to be exact, automobiles were written like dwelling houses. They were accepted for flat amounts, and were put on the books without any inspection of the car or its owner, or the circumstances surrounding the case. The business was written willy-nilly. Until the latter part of 1920 automobile companies did not feel the necessity of tightening up their underwriting requirements. Their automobile business yielded them a very fair profit. The business had grown to be of considerable importance from the standpoint of premium income, and yet it had, like Topsy, "just grown." It had not been guided. It had not been developed, and led along channels of improvement. It had been underwritten in the easiest, and not the most scientific manner.

This easy-going underwriting program allowed the companies to escape with a favorable experience during normal times. But when a period of acute moral hazard set in automobile underwriting discovered to their dismay that they had thrown no safeguards about themselves, that their policy contracts provided those with questionable morals with an easy way of making money and crooked losses began to pour in to the companies. There followed a period of what was nearly chaos, followed by a series of changes. It is quite safe to state that never before were so many changes in rules, rates and forms made in so short a time with any other class of insurance, fire or casualty. A new rule or rate would

be adopted and sent out to agents, only to be replaced by others within the same month.

CHANGES followed each other in rapid succession. Each revision was less favorable to the automobile insurance buyer, and was received with greater protest by the agent than the last. And the end is not yet. Even though the companies have eliminated extra equipment, or approved a 20 percent rate for accessories, as is the case in some territory; reduced the insurable limits; applied the 75 percent loss clause; established extremely high rates for full coverage collision and comparatively low rates for deductible collision forms; established plans for inspecting and investigating car owners; created theft recovery bureaus, and increased the rates markedly in the large cities where the experience has been bad, there is no assurance that further changes will not be made before what is regarded as an absolutely safe and sane and "bullet proof" plan for underwriting automobile business can be arrived at.

being driven by negroes, milk wagon drivers, street car conductors, structural iron workers, pool room proprietors, railroad brakemen, coal miners and others of about equal position in life, who cannot afford to own an automobile, are paying for their machines on time, and who can be nothing but unprofitable risks for the companies. And yet, armed with all these facts, companies have been writing automobile business on the same basis as immovable property in the hands of reliable assureds with no hazardous exposures. Is there any wonder that the experience has been disastrous?

DEPRECIATION, companies have gradually, too gradually, discovered, is an important underwriting factor. There is only a short span between the date of purchase and the time when the investment vanishes. Any car used moderately for pleasure driving, and kept in the best of condition, is certain to depreciate from 20 to 30 percent the first year, and from 10 to 20 percent during each succeeding year. An owner

### FIRST SUCCESSFUL AUTOMOBILE MADE ITS MAIDEN TRIP IN 1894

*In studying automobile history and considering what a comparatively short space automobile insurance occupies in the entire insurance chronicle, it is interesting to note that it was in 1894 that Elwood Haynes of Kokomo, Ind., designed the first successful automobile, which made its first trip along the Pumpkinvine Pike, three miles southeast of Kokomo, just 28 years ago. The machine weighed 820 pounds and was referred to as a "horseless carriage." On its maiden trip it was dragged on to the road by a horse and then, under its own power, proudly chugged a mile and a half into the country and back, at a speed of seven miles an hour. This machine is now in the Smithsonian Institute in Washington, and is regarded as one of the most valuable mechanical relics in the country today. Automobile insurance was not a factor until at least 15 years after the first "horseless carriage" made its initial trip. In fact, it is only during the past 10 years that real automobile insurance history has been made. The record of automobile insurance is a brief, but none the less meteoric and spectacular one.*

WHAT was overlooked for many years in the handling of automobile business was the fact that the automobile presented to the companies an entirely new and unfamiliar hazard. The automobile is a valuable piece of property mounted on wheels, that may be taken by its owner to nearly every point of the compass. It is stored in flimsy frame garages; parked on streets that are teeming with traffic of all kinds; allowed to stand unprotected on lonely country roads; driven at high speed over poorly paved streets and highways; handled by men who have practically no knowledge of mechanics or machinery; insured in country districts where there are practically no hazards and driven frequently to large centers of population where every known hazard exists.

ADDED to all this there is nothing individual about any automobile. That is, factories producing large quantities of cars, such as the Ford Company, Buick, Dodge, Overland and others, are marketing a product that is owned by thousands of people. There is nothing to distinguish, for instance, one Ford sedan from another. Thus a car stolen is lost in the shuffle. In addition, there are hundreds of crooks scattered all over the country who have devoted years to the business of remodeling and camouflaging cars so as to make them unrecognizable as stolen machines. Automobiles are being used very generally by bootleggers, and are

who purchases a car, drives it out of the salesroom and around the block has an investment at the end of such a short trip which is worth 20 percent less than he paid for it. The car, having been driven even a few blocks, and having been sold by the automobile dealer to a bona fide purchaser, is, the owner would find should be attempt to resell the car, second hand.

THE amount of depreciation cannot be determined at the time insurance is granted for the reason that it varies greatly with the different assureds. One man drives his car frequently, does not bother to keep it in a good state of repair, and in a short time has a machine that has a comparatively reduced market value. Another automobile owner, who may purchase his car upon the same date as the first man, perhaps drives his machine only once or twice a week and then on paved streets within the city limits, is most careful in driving, keeps his car in excellent condition, and is able to get a fairly good price for it when he decides to dispose of it. For many years companies failed to attach sufficient significance to this phase of automobile writing, and consequently paid hundreds of losses on a flat depreciation basis. They figured depreciation annually instead of considering the actual usage given the car. This is another evidence of the uniformity with which the automobile business was written for so many years. The as-

sured and his habits and the use he gave his machine were ignored. Business was written as it came over the counter, without individual consideration being given to each case.

IT was during the last three years that automobile writing companies have had the most hectic time. Until 1919 the automobile underwriter had a fairly smooth road to travel. What problems had arisen prior to that time were solved without a great deal of difficulty. Finance and dealers' business caused some worry for a short period, but the obstacles they presented were soon overcome. It was in 1919, when a great wave of prosperity swept over the country, that automobile writing companies commenced to see that the handling of automobile business had many ramifications. With the policy contracts that had been used for many years the companies loaded up with an unequalled volume of business. There was a mad rush for premiums. No new underwriting precautions were taken. The entire object of nearly every company, so far as its automobile business was concerned, was to get the business on the books. All of the aggressive companies succeeded in this admirably. New automobile owners by the thousands came into existence.

THEN rather suddenly conditions changed. The losses commenced to come in. Claim after claim was presented with the notation that the car had "burned on the road." Theft losses were reported where company officials knew that the claim was a fake, but could not clearly substantiate their opinion. Automobile "grave yards" made their appearance. Crooks were hired by policyholders to dispose of machines at so much per. Companies noted particularly a decided increase in the number of total fire losses. They attributed this to the fact that the crooked policyholder seemed to feel that it was much safer to burn up his car than to arrange to have it stolen. A burned car left no loophole through which the insurance company might escape liability.

ANOTHER group of policyholders, not bold enough to burn their machines up or to attempt thefts, put in claims for small collision losses. In 1920, companies paid out thousands of dollars for motometers, tires, spot lights and other extra equipment. It was realized that the automobile contract that had been sold for years was entirely too liberal for times of stress. Companies found they were not properly safeguarded. It was quite possible for a claim that was palpably crooked to be put over. Before the losses became really excessive, an increase in rates was decided upon.

IT was about this time (early in 1920) that the mutuals and reciprocals became factors in the automobile field. Observing that the stock companies were compelled to restrict their cover and increase their rates, the mutuals and reciprocals began an active campaign of agency building. Slowly but surely they crept into the offices that had for years been giving the bulk of

their automobile premiums to the stock companies. Automobile clubs consented to the organization within their ranks of a reciprocal exchange for the writing of automobile business. In numerous instances, these organizations acquired a very substantial automobile business, and offered the stiffest kind of competition to the stock companies.

**H**OWEVER, the regular companies were not so much worried about the losing of business to the mutuals and reciprocals in the large cities, but were disturbed over the fact that in the rural sections, in the small towns and villages where their business had always been highly profitable, the co-operatives were making remarkable headway. When it became apparent that country agents would continue to give their business to local mutuals and reciprocals, the stock companies decided upon a reduction in rates. This conclusion, however, was reached early in 1922, at a time when many felt that the necessity for meeting the reduced rates of the mutuals and reciprocals in country territory had passed. That is, following the disastrous loss experience of many stock companies, the mutuals and reciprocals

commenced themselves to crack under the strain.

**E**VEN the concerns that had written the bulk of their business in country territory found that they could not survive the flood of heavy losses. The most aggressive concerns pulled in their horns and trimmed their underwriting sails, but actually hundreds of others which tried to continue operations on the old basis were forced to give up. Today, mutual and reciprocal automobile competition is not a serious factor in the automobile field because of the weakened financial condition of the majority of co-operative concerns writing the class.

### GROWTH OF AUTOMOBILE PRODUCTION

*In 1899 there were manufactured in America 209 automobiles, valued at \$209,000. In 1902 the number of cars manufactured had increased to 9,000 valued at \$15,000. In 1908, 55,400 cars were produced worth \$100,000. In 1913, 400,000 cars were manufactured having a value of \$500,000. What has happened in the automobile industry since 1913 is best shown in the fact that there were in 1921 10,505,660 cars and trucks registered in the United States, or one car for every 10.2 persons in the country. These figures, indicating as they do an enormous increase in production, tell the story of the growth and development of the automobile industry in this country in the briefest manner possible.*

**A**S a matter of fact, most underwriters are now quite convinced that the mutuals and reciprocals can only go so far in the writing of automobile business. They cannot withstand a period of strong moral hazard and high loss ratio such as has visited the country during the last year. The mutuals and reciprocals, it has been demonstrated, are "fair weather" automobile insurance concerns. They cannot live during a period of financial depression. They are not equipped to withstand a continued flow of heavy losses. They will always cause a certain amount of disturbance locally where they are strong, or where their officers are well known,

but so far as the general effect upon the writing of automobile insurance by stock companies is concerned, it is not considered worthy of serious thought by underwriters who have studied the situation closely.

**T**HE results during the last two years have proven conclusively that any automobile writing company must have thrown around its policy contracts a certain number of safeguards. The old days of liberal, wide open coverage have gone, never to return. Any automobile writing company, whether stock, mutual or reciprocal, must, if it intends to stay in business, issue a thoroughly restricted automobile form. With this in mind the co-operatives will in the future be at a disadvantage. They will be forced to issue limited coverage and will hence have no advantages to offer over the stock companies' plan. Their lure in the past has been liberal coverage and low rates. They are now forced to issue restricted coverage, and to collect just about as much for their insurance as is charged by the stock companies. This situation just about counts them out.

## Few of 1897 Fire "Giants" Remain

By GEORGE A. WATSON

Eastern Vice-President, The National Underwriter

**O**F THE fire insurance company officials of the east who were prominent in underwriting councils a quarter of a century ago, few are still active in the business, the great majority having long since passed to the beyond. Happily, however, a number are still in the harness, while still others are living in comfortable retirement, spending their days in travel or otherwise enjoying well-earned relief from the perplexities of a most harassing business. In the years that have come and gone since 1897 death has taken its toll among the leaders, and the toll has been a heavy one. Gone are the Moores, the Washburns, Beddalls, Chases and other "giants" that were in the land in those days.

But six of the men holding chief executive posts with their respective

companies 25 years ago still retain office, the honor roll being as here given: William B. Clark, president Aetna; A. W. Damon, president Springfield Fire & Marine; D. H. Dunham, president Firemen's; E. C. Irvin, president Fire Association; Charles H. Post, United States manager Caledonian, and A. G. McIlwaine, United States manager of the London & Lancashire. Of this number, three, Messrs Clark, Damon and Irvin, have served as president of the National Board of Fire Underwriters, the goal to which every ambitious manager aspires, despite the arduous duties attaching to the position.

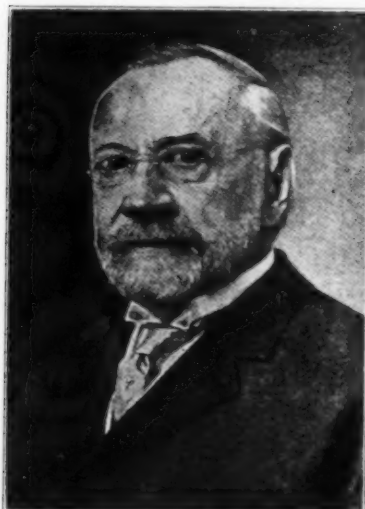
**O**F THE big men among the American companies a quarter of a century ago, Presidents Chase of the Hartford and Moore of the Continental and Vice-President Washburn of the Home were outstanding figures. Mr. Chase was one of the boldest underwriters that every engaged in the fire business. Through his aggressive policy the Hartford gained a position in the underwriting world which it has ever since retained and the results justified the broad vision always possessed by Mr. Chase.

Francis C. Moore, as president of the Continental, initiated many of the policies for that company since so suc-

cessfully developed by Henry Evans, his immediate successor. An unusual judge of hazards, Mr. Moore will perhaps best be recalled as the author of the "Universal Schedule" for rating risks, the first serious effort made in the business to classify hazards upon a defensible basis.

Though gentle and courteous in manner, John H. Washburn, vice-president of the Home and spokesman for that corporation at all association gatherings, was a vigorous and able fighter, and enjoyed nothing more than to cross mental swords with a "foeman worthy of his steel." He neither gave nor asked quarter. A debate between Mr. Washburn and such an antagonist, for example, as the late Judge Eugene Cary, then western manager of the Great American, was

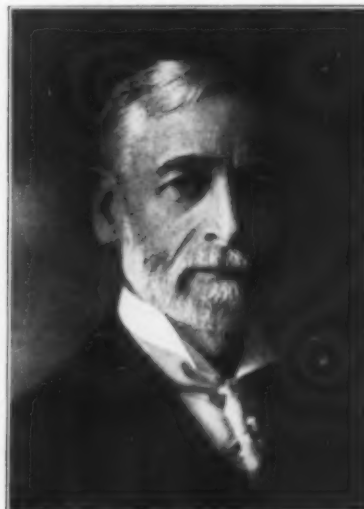
## FIRE COMPANY HEADS 25 YEARS AGO STILL IN HARNESS



E. C. IRVIN  
President Fire Association



W. B. CLARK  
President Aetna Insurance Company



A. W. DAMON  
President Springfield Fire & Marine



DANIEL H. DUNHAM  
President Firemen's of Newark



an intellectual treat worth going far to witness.

EDWARD F. BEDDALL, long United States attorney for the Royal and its eastern manager, was in the prime of his great intellectual powers in 1897 and was the recognized spokesman for the British companies on this side of the water in all matters affecting their common interest. Clear headed, logical and a master of correct English, he was a finished and forceful speaker and as such was in great demand at both company and agency gatherings. Mr. Beddall was known as the "King Maker" because of the frequency with which he was called upon by foreign managers to name chief United States representatives for them. No foreign company executive would think of visiting these shores in the early days without paying his respects to E. F. Beddall and learning the latter's views regarding underwriting and general business conditions here.

Henry W. Eaton, manager for the Liverpool & London & Globe, was another of the British company men here whose counsel was eagerly sought for and freely given.

OF THE present-day leaders in the business, R. M. Bissell, president of the Hartford, was associate western manager of the company in 1897, and had even then evidenced his fitness for bigger things. Harry A. Smith, president of the National, was traveling western New York for his company. Edward Milligan, head of the Phoenix of Hartford combination, was secretary of the corporation. E. G. Snow, "the noblest Roman of them all," was a power with the Home, of which he was then vice-president, and was already molding the plans which he has since put into effect for making the aggregation of which he is now the head one of the strongest fire underwriting corporations in the world. Despite his mastery of the fire insurance business, Mr. Snow is far less known personally to members of the fraternity than many a man of much smaller caliber, the reason for it being his unwillingness to appear in public. By virtue of its great interest, the Home "is in" on practically every big move that occurs in the business. Mr. Snow keeps in touch with all activities through his capable lieutenants. No one is better informed than he as to what transpires and the underlying reasons for the action taken.

ANOTHER towering figure is Henry Evans. In 1897 Mr. Evans was a vice-president of the Continental, assuming its presidency six years later. The company was already one of the big offices of its kind when he entered its service as a junior clerk in 1878, but under his aggressive administration it assumed giant proportions and has long since been a factor in the underwriting world. By virtue of his dominating personality, his sagacity and financial prowess, Mr. Evans is perhaps the best known figure in fire insurance circles, either here or abroad. Of recent years he has shown a disposition to delegate the immediate direction of his companies' affairs to others,

## Industrial Life Insurance Has Reached Enormous Proportions

THE first industrial life insurance policy in this country was issued by the Prudential of Newark, N. J., Nov. 10, 1875. That in a way is a comparatively short time ago, when one considers the remarkable growth of this branch of insurance.

The Prudential had been giving much study to industrial insurance prior to the date of the first policy. The fundamental principles of the Prudential of London were adopted but they were modified to suit the conditions in this country. John F. Dryden, the late president of the Prudential, can be called the father of industrial insurance in this country. Until the Prudential took up the work of establishing in-

dustrial insurance for the masses, efforts to provide protection had been a failure. Institutions for saving were more or less under a cloud. There had been frequent failures. The public at this time had not much confidence in life insurance, as there had been a series of disastrous liquidations and failures. There were charges of dishonesty against life insurance officials. For instance, the number of companies transacting business in New York decreased from 71 in 1870 to 31 in 1879.

THE business conditions and the peculiar situation as to life insurance and savings institutions affected the growth of industrial insurance in

though as chairman of the board he retains their general supervision.

Mr. Evans' ability as a financier has been one of the factors that has made for the great success of the companies under his charge. His insistence upon a broad distribution of business is another reason why the Continental has never been seriously involved in conflagration losses. For the most part, the Continental under Mr. Evans has played a lone hand, and for many years it refused even to join the National Board. When the latter body took up the idea of investigating the fire hazard of cities and towns, the appeal to Mr. Evans was irresistible and his company not only enrolled in the ranks of the Board, but Mr. Evans became one of its most efficient workers.

PERHAPS the most notable development in fire insurance circles in the past quarter century has been the group company idea. Practically every large institution of the east now has from one to half a dozen subsidiary enterprises, all under a common management, enabling thereby the writing of lines in amounts that were unthinkable in 1897, and at a minimum

of overhead expense. Another departure has been alliances with casualty writing institutions, a tendency that continues steadily and that will probably eventuate in the enactment of statutes whereby American corporations will be free under their charters to accept all classes of risks, just as are the companies of Great Britain in their home territory.

A summary of the industrial insurance in force as of Dec. 31, 1921 is—producer, was unknown a generation ago, as were also many of the side lines now freely written by the fire offices, the aggregate returns from which mount into millions of dollars annually. Great as has been the growth of the fire insurance companies since 1897, it is but an earnest of the development that may confidently be looked for ere THE NATIONAL UNDERWRITER issues its semi-centennial number, and it is a very fair assumption that by virtue of the training they are now receiving, the leaders in fire underwriting ranks of tomorrow will right worthily uphold the best traditions and practices of those who have gone before.

the early years. By Jan. 1, 1880, the Prudential had extended its operations to other states and had about 44,000 industrial policies in force. In 1879 a number of life companies which had only transacted ordinary insurance commenced issuing industrial policies. That proved to be a stimulus to competition and caused the companies to go hard after business. On Jan. 1, 1891 there were 3,875,102 industrial policies in force in nine companies. On Jan. 1, 1901 there were 11,219,296 policies in force. On Jan. 1, 1909 there were 16,687,675 industrial policies in force in this country representing \$2,668,919,696 industrial insurance.

THE industrial companies have reaped the results of intensive cultivation. They have brought together thousands of agents who have gone into the cities and towns and carried protection to the masses. The wants of the working people and those who could not afford to purchase high priced insurance have been met in a truly magnificent way. The industrial companies have been great agency organizers and business builders. Owing to the magnitude of their operations they have had to study office as well as agency systems. To one not acquainted with the activities of industrial companies it is almost incomprehensible to understand how such a vast business can be operated.

JOHN F. DRYDEN, president of the Prudential, and John R. Hegeman, president of the Metropolitan Life, are regarded as the big figures in industrial insurance and to them can be given credit for showing the way.

In 1879 the Metropolitan started to write industrial insurance taking advantage of the English industrial plans. On Dec. 31, 1879 it had 5143 policies amounting to \$440,049 insurance in force. The Metropolitan has contributed greatly to the welfare of mankind through its industrial department. In fact all the industrial companies have taken the lead as wayshowers in public service.

A summary of the industrial insurance in force as of Dec. 31, 1921, is of interest. There were 22 companies writing this class of business last year. The number of policies is 50,945,864, the amount of insurance being \$7,745,669,242. The industrial insurance written last year amounted to \$1,770,649,948. The industrial premium income was \$283,147,934. It should be remembered that this income is made up of nickels, dimes and other small denominations. Claim payments including mortuary dividends last year to industrial policyholders amounted to \$69,173,164. The total payments to industrial policyholders amounted to \$95,180,073. The ten years record of industrial insurance is of interest, the premium income running from \$116,904,962 in 1911 to \$483,147,934 in 1921 and the payments to industrial policyholders running from \$49,002,707 to \$95,180,073. The industrial companies during the last 25 years have covered the country over and have done a great philanthropic and beneficent service.

## IN MANAGERS RANKS 25 YEARS



CHARLES H. POST  
United States Manager Caledonian



A. G. McILWAINE  
U. S. Manager London & Lancashire



# Two Major Factors in Expansion

BY H. G. B. ALEXANDER

IN a broad sense the term "casualty insurance" includes all forms of insurance other than marine, fire and life. To be more specific, the lines ordinarily so collectively referred to are:

- Accident and health
- Burglary and theft
- Collision (automobile)
- Credit
- Employers' liability (including workmen's compensation)
- Fidelity and surety
- Live stock
- Machinery (including steam boiler, fly wheel, etc.)
- Plate glass
- Public liability (including all forms of public liability and property damage)
- Sprinkler

The aggregate of premiums collected by stock companies in the United States on these casualty lines is stupendous. The net writings of the stock companies in the year 1921 were nearly \$500,000,000. The development of casualty insurance in the United States has taken place almost entirely within the last twenty-five years and there has been an enormous increase during the past decade. For the year 1910 the net writings of stock companies in the United States were approximately \$95,000,000.

AN analysis of this phenomenal growth is of academic interest to the student of casualty insurance and of practical interest to those now engaged in the business as indicating future possibilities.

In reviewing the development of the business during the past ten years two vitally important causative factors are obvious. The mushroom-like growth to present startling proportions has been occasioned very largely by the compensation innovation and the development of the automobile industry. It is quite evident that these influences for growth and development are continuing influences whose ultimate effect it is yet almost impossible to foretell.

**WORKMEN'S** compensation insurance is only a new form of employers' liability insurance. Both cover employers against legal liability arising from occupational injuries suffered by employees. During the first decade of the present century the employers' liability business written by stock companies in the United States had assumed what were then regarded as rather substantial proportions. During the year 1910 the net employers' liability writings of stock companies amounted to about \$25,000,000. Commencing at the beginning of the second decade the compensation scheme, constituting a rather radical departure from all previous conceptions of the liability of an employer to his employees, has spread with startling rapidity. Compensation laws are now in effect in all but five states. These compensation laws impose liability irrespective of negligence, making the cost of industrial

accidents a charge upon the industry. As a general proposition, employers are compelled to carry the insurance. This compulsory feature has revolutionized the business of insuring against employers' liability. The net compensation writings of stock companies in the United States in the year 1921 amounted to about \$100,000,000.

NO comment upon the development of compensation insurance, however brief, would be adequate unless it

IN this connection must also be mentioned the accompanying work of accident prevention. Irrespective of the motives which primarily actuated the stock companies, it is quite obvious that their endeavors to prevent accidents have resulted in much benefit to the public. The number of preventable accidents has been materially reduced and the burden of human misery thereby lightened. The tremendous importance of this work from the standpoint of social welfare is only

ciety has been repeatedly indicated in recent years.

IN considering the future of compensation insurance, certain facts are self-evident. The compensation innovation has come to stay and will soon be universal in this country. Since the insurance is practically compulsory, it will automatically increase in scope and volume with the general industrial development of the country. This is only another way of saying that the business is in its infancy. The bulk of the business in the future as in the past will be written by stock companies. This result will follow because of the application of the law of the survival of the fittest. A high degree of business efficiency—and compensation insurance is a business—can be accomplished only by private initiative spurred on by the hope of a reasonable reward.

A FEW years ago apprehension was felt in some quarters that the compensation business would eventually be taken over by the state. This fear grew out of the fact that a few states had adopted the Teutonic conception of monopolistic state insurance and others the socialistic theory of competitive state insurance. These state funds have now had an opportunity under most favorable conditions to demonstrate their real value. The bulk of their business has been written during a period of wage inflation, resulting in unexpectedly large premiums. They have, in most instances, received large subsidies, which, in the last analysis, have been paid out of general taxes. They have been permitted to act as a court of last resort in the disposition of claims made against them. In other words, they have exercised the dual and inconsistent function of an insurer which has the authority to determine what claims shall be paid and in what amount, without the possibility of reference of controverted cases to a disinterested tribunal. They have openly availed themselves of the methods of rate determination and modification conceived and carried into practical effect by stock insurance. They have utilized what the brains and money of stock insurance has created.

NOTWITHSTANDING these tremendous advantages, the socialistic and un-American scheme of state insurance has proved to be, to say the least, a dubious experiment. While, in some instances, an initial saving in premium cost to the employer has been effected, that saving has proven exceedingly costly. State insurance has created nothing. It has parasitically availed itself of all the good things created by private initiative and has proven a lamentable failure in the great work of accident prevention. It has fallen far short of stock insurance in the elimination of red tape and the prompt payment of indemnities. As a consequence, in the very recent past, several legislative committees, after im-



H. G. B. Alexander, president of the Continental Casualty of Chicago, has built up an organization that commands great admiration. He has surrounded himself with lieutenants of superior ability and shrewdness. Mr. Alexander has proved to be one of the great company builders of the country. He has not devoted himself, however, entirely to his own organization. He and his associates have contributed liberally to the general welfare of insurance. He was the first president of the old Detroit Conference, the organization that was established to bring about better conditions in the industrial health and accident field. Mr. Alexander was the mentor and guide of that organization in its earlier days. He outlined its system of ethics. The Continental Casualty was originally an accident and health company. It

is now developed into a multiple line institution. Later Mr. Alexander was prominent in the old International Association of Accident and Health Underwriters, which was the predecessor of the present National Association of Casualty & Surety Underwriters. Mr. Alexander served as the president of the latter organization. He is an Englishman by birth and came to this country in 1885. He served as New York state agent of the old Railway Officials & Employees Association of Indianapolis and later became its general superintendent of agencies at the head office. Later an amalgamation was brought about with the Continental Assurance of Hammond, Ind., he being the vice-president and general manager. He was elected president in 1906. The name, Continental Casualty, has been used since 1900. Mr. Alexander also established the Continental Assurance, the life insurance running mate of the Continental Casualty, being president of that institution also. Mr. Alexander has stood square to all winds that blew. He is typical of modern progressive insurance.

emphasized the great and notable accomplishment of stock insurance. While others have contributed, the upbuilding of this great business against almost overwhelming obstacles has been accomplished almost entirely by stock insurance and should stand as an everlasting monument to its credit. The original creative work of compiling statistical data in usable form, devising methods to apply same, creating and perfecting rating schemes, etc., etc., has been done and paid for almost exclusively by stock insurance. A few years ago the business was in chaos, but has, by reason of the creative genius of private initiative as represented by stock insurance, been placed upon a stable basis and the beneficent ideal lying behind the compensation acts has thereby been carried into practical effect.

now coming to be recognized. The activities of stock companies along these lines have permeated into all commerce and industry and there can be no doubt have resulted in almost incalculable benefit to mankind. In all fairness it should also be said that in the development of the science of accident prevention, the companies have become more and more impressed with its importance and with the service which they were thereby permitted to render and, actuated by the most commendable motives, have gradually extended this service beyond their original conception of it and beyond the limits which would be fixed were they now actuated by entirely selfish motives. Indeed, the desire to couple up with their business activities schemes designed for the general benefit of so-

partial and exhaustive investigation, have advised against it. The American people have apparently had their fill of government interference in business. They are gradually coming to recognize that the next step will be governmental interference in their business.

It may, therefore, be conservatively predicted that the growth and development of stock compensation insurance along the beneficent and creative lines that have already been marked out is assured.

AS we have previously pointed out, the second great contributing factor to the phenomenal development of casualty insurance has been the growth of the automobile industry. It is conservatively estimated that there are in use at the present time in the United States nearly ten million motor vehicles, of which less than one-third are covered by insurance. There is apparently no limit to the future development of this industry and a mere statement of the facts is sufficient to indicate the possibilities from the standpoint of casualty insurance. In this connection attention may well be called to the trend toward compulsory insurance. Legislation requiring insurance of certain passenger-carrying vehicles has already been enacted in a number of states. It seems apparent that this legislation will become universal in the comparatively near future and be extended to cover many kinds of motor vehicles other than those to which the present legislation applies.

THERE is also observable in some quarters a disposition to impose liability upon the owner of motor vehicles for injuries to the public occasioned by their use, irrespective of fault. In other words, it is more than possible that within the next few years, laws will be passed making such owners responsible even though injuries are not due to negligent operation. In reality this development would be no more startling than the compensation innovation. Many of the reasons which have led to the enactment of compensation laws and the imposition of liability upon employers for occupational injuries to employees, irrespective of any question of negligence, are here applicable.

Under these circumstances one need not be unduly optimistic in predicting that history will repeat itself and that we shall see, within the next few years, a further stupendous increase in the volume of casualty business brought about by the growth of automobile insurance.

IT is here pertinent to comment briefly upon that branch of the automobile business known as collision insurance. During the past few years collision insurance has been very unprofitable. In the aggregate, the companies writing this line have suffered a tremendous loss. While this unfortunate result has been in part due to unprecedented cost conditions brought about by the war, the principal trouble has been a fundamental defect in the form of the coverage. It is axiomatic that no insurance partaking of what is known as a moral hazard can be written at a profit at any

rate. A definite and unescapable moral hazard is incident to the full collision coverage. An increase in rates brings about an adverse selection. The only remedy is to apply the coinsurance principle. However, pure coinsurance, although it requires the assured to stand a definite percentage of each loss, is not calculated to give relief because it is so easy to pad small claims to include the percentage for which the assured is liable. Also no relief is given as to the excessive expense of handling small claims. A modified coinsurance coverage, known as deductible collision, is unquestionably the wisest compromise. The companies have generally come to recognize this fact. If they will adhere to this principle and apply same universally, there is no reason why the automobile collision line should not, within

the comparatively near future, be based upon a reasonable profit basis.

WE have devoted the space permissible to a consideration of the two lines which have been the important causative factors of the recent tremendous growth of casualty insurance. Lack of space prevents a detailed consideration of the other important lines listed at the outset of this article. As to them, it is sufficient to say that they have been created to meet the needs incident to commercial and social progress—that they have grown and developed to meet these needs and will continue to do so in the future. Even now comparatively few realize what an important factor they are in the daily life of the world and how completely commerce and industry are dependent upon them for existence.

## A. F. Dean Applied Theory of Relativity Before Einstein

WHEN Einstein announced his theory of relativity, applying it largely to astronomical calculations, the world applauded this eminent scientist for successfully discovering a principle so highly important and which could be used so logically in the mathematics of astronomy.

Fire underwriters, however, did not wait for Einstein to make known his celebrated discovery. The theory of relativity in the measurement of fire hazards was presented years before Einstein was heard of by A. F. Dean, who is the author of the rating system in vogue in a large part of the country today and which no doubt will eventually come into universal use. Mr. Dean used the same principle enunciated by Einstein in working out his rating schedule. It is exactly the principle that Einstein used in arriving at the solution of astronomical problems.

MR. DEAN in his earlier years had accepted without dispute the efficacy of classification in fire insurance as the proper basis of rating. He had not gone into the subject thoroughly, but because classification was adopted as the basis and as the leaders in the

business all pinned their faith to it, Mr. Dean followed the procession. Before he plunged into an exhaustive investigation of rating he had been delving into philology and studying the sounds and their symbols in various languages. He had arrived at a point where he was about to publish a language dictionary. Mr. Dean had become an authority in alphabets and had read a paper before one of the scientific societies. It was while engrossed in this study and later in an investigation of pure science that the theory of relativity flashed through his mind.

HE saw the principle in knowledge, in language and in science. He applied the theory to human kind, finding that every person bears certain relationships to other persons. As he began to see whether this principle could be used in fire insurance rating he found that it would work out logically as it had in the other lines which he had investigated. Mr. Dean discarded forever classification. He found that it was of no value whatever. At one time he was prone to acknowledge that classification might give a certain "hunch" in underwriting but he reached the point where he advised the abandonment entirely of all classification as being useless and positively dangerous if attempted to be employed in reaching rating deductions.

Mr. Dean found that the rate itself was not the proper unit, but that there were a number of factors, component parts of a rate, that were units in themselves. He found that there was no common measuring rod in fire insurance rating.

APPLYING, therefore, the system of relativity to fire insurance, he evolved the modern rating schedule. The fact that one risk is rated at \$1 and another at \$1.50 means nothing in itself except that relatively these figures represent the measure of hazards. Mr. Dean calls the basis rate the unanalyzed residuum and on this is built up the final rate, with percentage charges for area, height, combustibility, contents, expo-

sure and so on. Regardless of any change in the basis rate the percentages remain constant. Mr. Dean saw the futility of attempting to decrease rates on this class and that and declared that the only scientific way was to take the result as a whole for a period of five years and then increase or decrease the basis rates proportionately. This would not disturb at all the charges, which are in the form of percentages.

IN the earlier days of rating Mr. Dean did a great constructive work in bringing his schedule and explanation of it before state investigating bodies and insurance commissioners. Mr. Dean suggested certain standards to be used in fire insurance rating which were later adopted by the Insurance Commissioners Convention. He worked out a basis for computing fire insurance profits, suggested a standard area, standard time for calculation, standard for conflagration fund and so on. Frequently Mr. Dean stood alone in defense of the theory of relativity as shown in his schedule.

Fire underwriters, therefore, can take much satisfaction in knowing that in their business the theory was first applied. Mr. Dean today believes that this same theory of relativity which he used in fire insurance rating can be logically applied by government officials, legislators, courts, diplomats, capitalists and labor leaders in working out their problems.

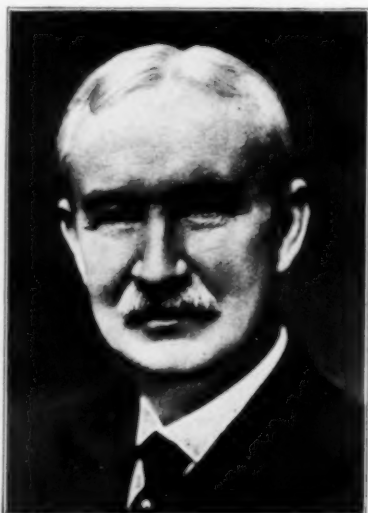
THE trouble today, Mr. Dean says, is that people are attempting to solve intricate problems without taking into account their proper relationships. They are treated as isolated cases. Mr. Dean states that if he were 25 years younger he would be glad to work out a system of freight railroad rates, based on the theory of relativity. He feels too that this theory can be successfully applied to working out a schedule of wages for laborers.

Mr. Dean had a long preparation before he devised his schedule. He had delved deeply into language, into all the sciences, into works on classification, and therefore had a background and foundation that no one else possessed in the fire insurance world.

Before the Dean schedule was adopted the schedules were crude and illogical. Arbitrary charges were made. There was much experimenting. The entire structure was clumsy and unscientific.

### "Large Cities" Problem Not New

In the first issue of The Ohio Underwriter, 25 years ago, evidently the large cities committee of the Western Union had its troubles. One story told about the forthcoming meeting of the Western Union at St. Louis, when the Cincinnati situation was on the program. The Ohio Underwriter said that "the Cincinnati situation has not assumed the aspects that companies hoped it would and today a volcanic eruption there would not be a surprise. As long as commissions are open some companies paying an excess, and others not, the condition will be unsatisfactory." Evidently, the "excepted cities" situation was a perplexing problem then as it is today.



A. F. DEAN  
Author of "Dean Schedule"



# The Field of Corporate Suretyship

BY WILLIAM H. DRAPIER, JR.

WHEN what is now known as THE NATIONAL UNDERWRITER started in 1897, the National Surety Company moved to New York, taking over its predecessor's business back to 1888. There is more than this coincidence and the use of the word "National" by both, justifying the statement that in this period was born, out of the desire to help others, the real development of insurance journalism and corporate suretyship. The latter existed and remained in an experimental stage for fifty years previous, as its founders had not the breadth of wisdom and tireless energy to put in motion its endless potentialities. Neither does that statement tend to dim the memory of such as the late Charles Lakey, who in flawless language and inimitable style created his own standard upon which those aiming at commercial development, cannot infringe. Nor should it be presumed that either of the "Nationals" is attempting self-aggrandizement, for all either does is by example and precept—living up to what the word "National" implies—bearing, with those having the same ends in view, the torch of enlightenment and self-help.

For it is axiomatic that no man can help others without helping himself; so the pioneers in insurance journalism and corporate suretyship began by showing the necessity, creating the demand and then supplying it. As is always the case with altruistic movements, stirring the surface discloses the depth and all agree that the depth and breadth of the necessities and opportunities revealed, call for unending co-operation in educational development.

IN THE early days, it was every man for himself. There was only a shrewd guess at "How much will the traffic stand in the matter of rates" and this naturally led to rate wars, soon fatal to all of the smaller companies lacking the volume and variety of business to counterbalance the fluctuations in rates. The companies' printed bond forms were so long and contained so many exceptions that it was difficult to adjust losses until court decisions dictated more concise phrasing. Contract bonds were seldom written without third party personal indemnity and more litigation ensued with corresponding adverse decisions that shaped in time, the underwriting.

The need for organization and co-operation became acute and at this point anyone conversant with the subject must pay the inevitable tribute to the genius and perseverance of William B. Joyce, president of the National Surety. He, more than any other man, is responsible for many of the most important forms of coverage, as well as the adoption of the remedial measures which have been the salvation of the business, such as adequacy and stability of rates and uniformity of practices (now perpetuated by the Towner Rating Bureau and the Surety Association of America) and the federal standard prohibiting assumption of

liability in excess of 10 percent of the paid up capital stock and surplus of any company authorized to write government bonds.

NOW, surety companies occupy a unique and powerful position, not only in restraining influence or moral effect, but also in being indispensable in the consummation of almost every event of public importance. A fidelity bond is (or should be) given by every person handling money or property of others. The law demands this of public and federal officials, also court fiduciaries, and in many such instances corporate surety is required. Occupational licenses

where the liability is acute, nothing but a surety bond is acceptable. More than all of such efforts, the inexorable law of experience is forcing personal suretyship into disuse by showing its too frequent inadequacy in time of sorest need, or by relentlessly enforcing the penalty, even to the extent of beggaring the heirs of the gratuitous surety. Surety men are prone to judge the business acumen and commercial development of any community by the amount of surety premiums it produces. The larger companies fix as a standard, that each agent should produce in premium income, an amount equal to 10 percent of the population of his territory. It



William H. Drapier, Jr., was born and reared in Indianapolis, and entered the insurance business in 1887. He engaged as agent and adjuster in every branch of insurance from fire to life and early formed a taste for reinsurance projects. After serving in the Spanish-American War, he returned to Indiana and entered the employ of the National Surety in the summer of 1899. He was general agent for Indiana until late in 1907 and then was called to New York as superintendent of agencies. At that time the National Surety was a small company of \$500,000 capitalization and was not entered in more than three-quarters of the United States. Under the direction of President Joyce, Mr. Drapier extended its operations through Canada and Alaska to Hawaii and the Philippines on the west and through Mexico and the

West Indies. He served about 12 years as superintendent of agencies and assistant general manager, was made a vice-president in 1917 and has continued in charge of the company's foreign agencies. He is regarded as an authority on surety conditions in North and South America, having spent years in the aggregate in organizing and serving as manager pro tempore in many of the larger cities.

usually call for a bond, including those given in all customs and internal revenue matters. A bond is the condition precedent to bidding for or the letting of any private or public supply or construction contract or covering its guarantees or maintenance. In litigation, bonds are required for plaintiff's remedies and for defendants desiring bail or to prosecute counter-suit or appeal. Then comes the wide range of quasi-contract, indemnity bonds and financial guaranties: Depository bonds, guaranteeing the solvency of banking institutions; bonds covering privilege or franchises; payment of freight charges, rents, royalties, etc.; against infringement of patents—in short to protect against any risk or hazard involving loss through failure of the principal to carry out his engagements.

TO a large extent, surety representatives interested in public welfare have secured the requirement of these bonds and in many instances, especially

averages up fairly well, because the larger cities produce more than their quota, making up for the rural population having less need for bonds. The United States produces three times as much surety premiums per capita as any other nation, and, in fact, produces more annually than all the known reports show the rest of the world has produced in the aggregate, since the beginning of such statistics! To show this is not an unreasonable statement, the Canadian insurance departments' reports will prove that the National Surety last year alone wrote in net surety premiums more than has been written in Canada by all companies combined in the last thirty-eight years. Much might be said along similar lines and many comparative results given, but these can be procured from any standard works by those interested in mere figures.

THE bonds heretofore mentioned have covered only the acts of persons known to the principal and surety, after

all reasonable means have been employed to prevent such defaults. Within late years, there has arisen a demand for an ever-increasing class of bonds covering the acts of persons unknown; losses arising from culpable negligence and errors of judgment—even gauging the law of averages and chance. Foremost in this category come the forgery bonds. These cover any forgery of the obligee's signature as drawer, maker or endorser on certain forms of bankable paper, (unless drawn in lead pencil not indelible); or any such instrument signed by the obligee and subsequently raised or altered in any way resulting in loss to the obligee or his bank. A broader "commercial" form covers any such incoming instrument (excepting bogus or N. S. F., not greater than 10 percent of the bond nor exceeding 75 percent of the loss sustained), taken by the obligee in exchange for goods and/or property sold and delivered and/or for services rendered. The exception of "No Account" or "Not Sufficient Funds" checks is on the general theory that no insurance cover acts the insured might perpetuate. Otherwise, the obligee would need only to acquire a bogus check and then present a "claim."

The 25 percent deductible clause is to cover the cash usually advanced by the obligee, in excess of the amount due him. In other words, some merchants do a measure of banking business, even advertising that they will "cash" pension checks, etc. To avoid the actual cashing of such checks, the customer makes a trivial purchase, and thus gets nearly all of his check in cash. Almost all losses under this coverage arise from this practice, just as counterfeit money is usually so passed, the pretended purchase being abandoned to prevent its becoming a clue.

BESIDES these, there is a bankers' limited form for the banks' outgoing paper including checks certified or purporting to be certified by its officers; also a blanket form with certain incoming and outgoing instruments both covered, but with a \$200 deductible feature. Parenthetically, the deductible feature or coinsurance clause, is now a recognized necessity in almost every form of insurance except life. It discourages petty claims which eventually put the insured in the undesirable class, for scarcely any premium can be loaded to take care of this type of insured. Moreover, it tends to make the insured far more careful to avoid taking any chances that might result in a personal loss. It has been said that mankind generally is honest—when watched! The coinsurance clause is one of the many safeguards that human frailty makes obligatory. Amplifying on the forgery idea, financial institutions may also be covered against loss arising through having transferred, or registered, or accepted as collateral certain forms of securities which may prove to be forged or invalid, to have been stolen, or to have defect in title. Then follow the many forms of so-called "blanket," "cover-all" and "position only" bonds.



Only financial institutions may, by insurance law, be given blanket coverage as to any dishonest act (including forgery) by employees, also any loss by burglary, robbery or holdup within or without the premises covered, including temporary help and covering even misplacement or mysterious disappearance of valuables in custody of its employees.

MANY abuses have grown out of the misuse of these blanket forms by unscrupulous persons. There will always be the hypocritical employer who bags the knees of his trousers praying to be led "not into temptation" yet who will not pay his help a living wage, much less a saving wage, thus tempting them beyond endurance to steal through loose systems and flagrant opportunities.

This last phase is one that surety companies have done more to correct than any other influence. Many large companies run a subsidiary accounting company and when a large line of new business is offered and the accounting "system" is so faulty as to render bonding the employees dangerous, the surety company diplomatically suggests the necessary changes to be made by its accounting company, in order to save the employer, the large losses that usually occur over the face of the bond of the defaulter. (It is still an unsolved mystery why the insured generally "economizes" on premiums, only to gain the excess loss.) Often a loss occurs through means unforeseen by the insured or the company and in such cases the company suggests, from its broader experience, the best way to prevent recurrence. Among recent innovations the National Accounting Company is announcing the bonded audit. Where a financial institution designates the National Accounting Company to audit the books and records of any person or concern and prepare financial statements to be used as a basis for granting or extending loans, the National Surety issues its bond, guaranteeing the correctness and accuracy of the statements submitted.

THE larger surety companies often maintain a department of bonded attorneys, placed at the service of the client having a large number of outstanding accounts, particularly those at a remote distance, usually arising from the change of address of the debtor. Finally, through its own vast legal department, with local consulting counsel in every city, each large company exerts its influence as a power for good, making corporate suretyship in its many ramifications, the greatest moral factor existing, except religion.

Among the companies that are celebrating their 25th anniversaries this year, thus beginning their existence in the same year with THE NATIONAL UNDERWRITER, are the American Alliance of New York, the Assurance Company of America of New York, the Mercantile Insurance of America of New York, the Northern Insurance Company of New York, the Bankers Reserve Life of Omaha, the Reserve Loan Life of Indianapolis, the Sun Life of Baltimore, the Continental Casualty of Chicago, the National Surety of New York and the Star of New York.

## How National Underwriter Publications Help Agents

By GEORGE BROWN

IT APPEARS to be the consensus of opinion of life insurance executives, general agents and sales managers that 75 percent of the business is written by 15 per cent of the salesmen.

If the sales manager of a manufacturing plant or of a large wholesale house found that 75 percent of the marketed product was being sold by 15 percent of the sales force he would want to know why. He doesn't expect that all his men will do equally well but he would never be satisfied with such percentages as are conceded to prevail in the life insurance business. He would analyze the weaknesses of the 85 percent and inside of a day or two he would know whether the failure to pro-

edge of the goods, ability to find or create buyers, ability to sell them.

THE merchandise salesman, assuming he knows how to sell either through learning the art of selling, or through natural gift, or through both, gets his education in his particular line, where? In the factory, in the office, in the sales manager's school of instruction. There is something tangible from which to learn—a machine, a product, a food stuff. There is a material article he can demonstrate, from a mowing machine to a cake of soap, from a woman's handbag to a can of evaporated milk.

The life insurance salesman, on the



*George Brown of Detroit, general insurance man, general agent of the Continental Casualty, is a first class student of human nature. Read his stuff that he contributes from time to time to The National Underwriter and you will find a facile, entertaining, graphic writer. He knows what is good stuff and how to dish it up. He has been in the newspaper game long enough to have a trained, observing mind. He does not deal in details or nonessentials. He puts out his grappling hooks and brings to the surface just what men want to see. Mr. Brown served in the Michigan legislature with great distinction. He has held other public offices. There is much of the politician in his nature. He believes in insurance and what it does. For a long time he has conducted a department in the "Casualty Review," the monthly accident and health running mate of The National Underwriter. Here is where he has shone with a bright, scintillating light. Whatever George Brown writes is worth reading.*

duce a satisfactory volume of business was due to lack of knowledge of the goods, to lack of selling ability or to lack of business education. The weakness found, the salesman would have to cure himself of his sales anemia or look for a job somewhere else.

THE life insurance business cannot very well be subjected to this drastic discipline. In the first place it is conducted on a commission basis wholly, while most mercantile salesmen are remunerated on a salary basis. The mercantile sales manager wields a club that is not given to an insurance sales manager. He "hires and fires."

Then, too, there is no such feature in the life business as a territory restricted to one salesman, nor is there any "established trade." Beyond a sale or two of additional life insurance to the man already insured there are no periodical "repeat orders" from the customers.

Outside of these particular differences between sales of merchandise and sales of life insurance, the essentials of success are the same: Thorough knowl-

other hand, has nothing to work with but sentiment. He has to sell something the buyer cannot sell or turn over at a profit. It is an investment, it is true, but like no other investment. It isn't shares of stock, it isn't bonds, it isn't real estate. There are forms of life insurance, to be sure, that are of a business character, but the major part of life insurance is a matter of sentiment, a love of wife, children, parents, home.

THERE is a tremendous field to cover, a field as wide and varied as human nature can make it. No one college professor, no one sales manager, can educate a life insurance man in all these phases of the business or the profession, call it which you will. There is only one way in which the man who is in the 85 percent class can qualify for the degree of insurance engineer and that is by educating himself.

The average life insurance salesman does not do this. He rarely looks at an insurance paper, he more rarely reads a book treating of life insurance,

he is careless about joining any association of his fellow workers, he has neither the time nor the inclination to attend a sales congress.

THE men who do all these things, the men who educate themselves, are the men who are doing the big business. When I say "big business" I don't mean the men who won't "bother" with a prospect who can buy less than \$25,000 and the men who think a \$100,000 contract is all in the day's work. I am talking about the men who are earning \$10,000 a year and over.

In the securing of an education that will bring about this efficiency and capability I know of no better method than an intelligent and conscientious study of the life insurance publications. Membership in the local underwriters' association is valuable—if the meetings are attended—but the insurance papers epitomize the wisdom and experiences of the most successful men in the profession.

THEN where is one to look for intelligent information as to insurance covering personal disability, burglary, and its robbery side lines, auto, workmen's compensation, public liability, hail? I know of no other source than THE NATIONAL UNDERWRITER publications. There are many insurance periodicals, all good, some better than the others, but none specializes or goes into the details that THE NATIONAL UNDERWRITER papers do.

When you read these papers you are reading all there is to be written about insurance of every name and nature. You get the thoughts, the suggestions, the experience of the best qualified, the most successful men in these miscellaneous lines. You get all the insurance news of the world—company, personal, legislative, legal. These papers are as complete and as adequate in their particular fields as the great Sunday newspapers of the big cities are in the general field. The very advertisements are an educational factor in themselves. Every company of consequence doing business in the United States is represented and, like the merchants in the daily newspapers, they give you data about their lines that supplement the articles, editorials and interviews.

THIS is not an advertisement for THE NATIONAL UNDERWRITER publications. It is my personal contribution to this anniversary number, offered of my own volition. I have been in the general insurance business for over 15 years and I have been fairly successful. I am taking this opportunity to express my gratitude to THE NATIONAL UNDERWRITER papers for the education they have enabled me to acquire at so trifling a cost. I wish the editors, the reporters, the circulation men, the subscription men, the artists, the mailing department, the girls in the offices, the office boys, the porters, the janitors, my most hearty thanks and also my congratulations on their association in such a splendid enterprise.

The Insurance Company of North America this year is celebrating its 130th anniversary. It was organized in 1792 and is the oldest stock company in the United States.

# National Board on Service Basis

IT is not generally known that the New York Board of Fire Insurance Companies was, really the originator on April 30, 1866, of what is now the National Board of Fire Underwriters. On that date J. Milton Smith of the New York organization introduced a motion, which was passed, seeking the appointment of a committee of three to confer with companies of other cities with reference to uniform rates and commissions.

This committee was composed of Daniel A. Heald of the Home, George T. Hope of the Continental and E. W. Crowell of the Phenix of Brooklyn. This committee issued a preliminary circular announcing its views as to concerted action in handling the business and on July 7 of that year, a call was made for a convention to be held 11 days later at the rooms of the New York Board.

THERE were 75 companies represented July 18, 1866 when Chairman Crowell called the convention to order and Mark Howard, president of the Merchants Insurance Company, was elected permanent chairman. Mr. Heald explained his plan of organization, which was referred to a committee of 16 for consideration and reported back to the convention upon the following day.

To Daniel A. Heald, the author of the constitution, is given the largest measure of individual credit for establishing the National Board. The time was most auspicious for a movement of this kind, as fire losses had increased about 50 percent from 1864 to 1865, and in the first six months of 1866 had exceeded the entire losses of 1865. It was the time when underwriters realized that there must be a combination against the common enemy, Fire.

THE Civil War was just over and business conditions were unsettled throughout the country, while rate conditions were far from satisfactory. The original purpose set forth by the National Board included the establishment of uniform rates for premiums; also a uniform rate of compensation to agents and brokers; in addition, it was resolved to repress arson by combining to punish criminals responsible for it; also to devise and give effect to measures for the protection of the common interest of the companies and the promotion of their general prosperity.

IT is interesting to note that as early as 1866, an attempt was made to secure uniformity in premium rates as well as uniformity in compensation of agents and brokers, especially when it is recalled that at its recent spring convention, the National Convention of Insurance Commissioners asked the National Board to consider the advisability of taking over the supervision of fire insurance rates for the entire country.

This plan, although evidently desired by the Board in its early days, was long since abandoned, viz., the supervision over rates and commissions. Yet the

new rating laws passed in several states recently indicate that the Board may again have to assume some such jurisdiction for its own protection.

THE National Board in the past 25 years has become increasingly a service organization. Its educational work for the prevention of fires; its bureau for the detection of firebugs; its legal department, which handles insurance legislation coming up in the various states, and all matters relating to

*The National Board of Fire Underwriters is the premier fire insurance organization of the country. It is in fire insurance what the Association of Life Insurance Presidents is in life insurance. It is the organization of prominent company executives. The National Board has long been regarded as the foundation of the fire insurance structure in this country. In recent years it has been making itself more of a factor in its public relations. It is coming in contact more and more with the people and is telling the story of fire insurance in a universal language. Many eminent underwriters have served as president of this remarkable body. Its various ramifications are becoming more and more essential, not only to the business of fire insurance itself but to the premium payers of the country. It has accomplished much in the way of promoting greater fire prevention facilities and has brought home to the people the need of reducing the fire waste. At the inception of the World War, the National Board was one of the first great organizations of the country to place at the disposal of the government not only its own facilities but those of all the companies and the agents throughout the country. The contribution of the National Board to the war preparations and the strengthening of the United States at that time will go down in history as a notable example of real patriotism and service.*

taxation, state and federal; its engineering department, which yearly inspects a certain proportion of the cities of the country to see that proper fire prevention methods are sustained; its actuarial bureau, patiently year by year piling up statistics relating to the classification of risks, which are already proving useful to underwriters throughout the country—these and many other practical activities of the National Board, such as those maintained through the National Fire Protection Association and the Underwriters Laboratories at Chicago, illustrate what a service organization the Board has become in the past few years.

WHAT is more, during the war, the Board engineers took a prominent part in safeguarding government property at the cantonments and at places where army and navy stores were stored and even in the city of Washington itself, engineers of the National Board helped to minimize fire dangers. Today much of this same work is carried on in the various states through various fire protection organizations generally made up of special agents who have been interested in this work.

by Alfred G. Baker of the Franklin of Philadelphia, who served three terms. He was succeeded by M. Bennett, Jr., of the Connecticut of Hartford, who served from 1880 to 1881.

ONE of the longest terms of any president of the Board was that of D. A. Heald of the Home of New York, one of the signers of the call for the original convention. His ten-year service as president was most notable and the National Board during that period grew perceptibly in power and influence. Mr. Heald was general agent of the Home at the time the committee of three on organization was appointed. He was an acknowledged leader in the fire insurance business, had a legal mind and was a formidable debater.

D. W. C. SKILTON, who served as president of the National Board for three years beginning May 7, 1891, came from the Phoenix of Hartford. On May 10, 1894, Edward A. Walton of the Citizens of New York was elected president, serving two terms and being succeeded on May 14, 1896, by William B. Clark, who is still president of the Aetna of Hartford.

Mr. Clark was succeeded by the late Henry W. Eaton, United States manager of the Liverpool & London & Globe, and he in turn by E. C. Irvin, president of the Fire Association of Philadelphia, who served for two years. He was succeeded May 10, 1900, by the late George P. Sheldon, president of the Phenix of Brooklyn, now the Fidelity-Phenix. Mr. Sheldon was president for two years from 1900 to 1902, when Robert B. Beath of the United Firemen's of Philadelphia came into office.

OTHER presidents of the National Board from 1903 to the present time included H. H. Hall, of the firm of Hall & Henshaw; John H. Washburn of the Home; George W. Burchell, former president of the Queen; J. Montgomery Hare, former United States manager of the Norwich Union; A. W. Damon, president of the Springfield Fire & Marine; the late George W. Babb, United States manager of the Northern of London; W. N. Kremer, late president of the Great American, and E. G. Richards, former United States manager of the North British & Mercantile, under whose administration there was organized the actuarial bureau of the National Board about the time it celebrated its 50th anniversary.

ALTHOUGH the progress of the National Board was steadily forward there were times when it had mighty rough sledding in its early years. From 1878 to 1888 was probably one of the most serious periods in its existence. The subject of rate agreement was the bugaboo and it was difficult to secure cooperation. The lowest point of membership was reached in the spring of 1888 when the Board had but 25



JOHN B. MORTON  
President National Board



W. E. MALLALIEU  
General Manager National Board



members and the annual meeting was attended by but eight.

President Heald in his annual address at that time called attention to the need of united and vigorous effort to stem the advancing tide of unwholesome competition that had already threatened destruction to the companies. The conditions affecting the Board began to improve as soon as it had given up jurisdiction over rates and commissions, and companies on the outside began to come back to the fold, so that at the meeting in May, 1889, nearly 50 representatives attended.

THIS period signalized the commencement of the new public service work of the National Board and placed it upon the track which it has practically followed ever since. The real development of the National Board today and its various committees was started at that time.

The improvement of building construction seemed first to attract particular attention in the early '90s and in 1896 the Board voted to put out a national model building law. About this time electricity was supplanting other means of illumination and some of the

greatest mercantile fires had been traced to the new hazard. On August 17, 1892, there was a meeting in the National Board rooms attended by the representatives of many underwriters' associations, which resulted in the formation of the Underwriters International Electric Association and the formulation of the National Board electric code to govern installations.

THUS the scope of the work of the National Board has been extended from time to time, influenced by situations which had arisen. The subject of fire prevention and the encourage-

ment of better building construction, has been a most important factor of the work which it has accomplished for many communities. The encouragement of proper building codes in the various cities of the country is also a matter which has been very close to the National Board and this has been a most practical adaptation of its fire prevention work.

Since the Board became a service and welfare organization, its influence has been extended and its power realized much more than was the case in the old days when it sought to control rates and commissions.

## Early Days of the Laboratories

ON East Ohio street just east of Michigan boulevard in Chicago is the plant of the Underwriters Laboratories, Inc., having a value of approximately \$225,000 and employing 150 people. The building, said to be the only "absolutely fireproof" structure in the world, consists of three stories and a basement, containing something over 50,000 square feet of floor space with a frontage of 266 feet. In addition there is yard space for huts and large testing furnaces. The main building is perhaps the best example in America of fire resistive construction, furnished with fire resistive finish and equipment and operating properly safeguarded machinery. Brick, terra cotta, concrete, stone, steel and iron are used exclusively in the structural features. The window frames and sash are of metal with wire glass, the doors are of metal, the desks and filing cases in the main offices are of steel. No wood or other combustible material is used in any portion of the finish. The plant is equipped with automatic sprinklers and the machines, appurtenances and lighting, heating and power hazards are safeguarded with every known precaution.

EVERYBODY in the fire insurance business knows about the Underwriters Laboratories and its tests of appliances, systems and materials, its card reports and label service. The Underwriters Laboratories is taken as a matter of course by fire insurance men. The great service that this institution is rendering is simply looked upon today as an important adjunct of the fire insurance business as a whole. It is regarded in much the same light as a state rating bureau. Few who make use of the multitude of services that the Laboratories is rendering stop to think of what great progress this particular institution has made during the last quarter of a century. Its growth and development, its broadening of service, its part in placing the fire insurance business on a high plane in the eyes of manufacturers throughout the United States is a story of the genius, vision and organizing ability of its president, W. H. Merrill.

IT was in 1893 that Mr. Merrill went to Chicago to become an electrician for the Chicago Underwriters Association—now the Chicago Board of Underwriters. Mr. Merrill was hired for the

purpose of solving some problems in connection with the automatic fire alarm service in Chicago, and to inspect electrical installation at the World's Fair. He had been electrical inspector for the Boston Board of Underwriters. Soon after arriving in Chicago he advanced the laboratory idea, which had been in his mind for some time, and which he had discussed with Osborne Howes, Jr., secretary of the Boston Board, under whom he had served. His proposal did not meet with approval in Boston, but when he broached the idea to the officials of the Chicago Underwriters Association, he was encouraged and given a small room on the third floor of Fire Insurance Patrol Station No. 1 on Monroe street.

*When the many sided activities of a nationally operating institution like the Underwriters Laboratories are seen, it is difficult to imagine that 20 or 25 years ago the organization was just coming into existence. Its present day completeness makes it seem as if it must have had its beginning long ago. But the Underwriters Laboratories is one of the newer fire insurance developments. Its history does not extend beyond the last 25 years. It has had a very rapid growth.*

*This little article telling of the early history of the Underwriters Laboratories is of interest to those who have a curiosity to learn how, where, and why the institution got started, and what it was doing 15 or 20 years ago.*

MR. MERRILL'S little experimental station, for that is in reality what it was, was known as the Underwriters Electrical Bureau. At first Mr. Merrill did electrical testing of various kinds and issued reports of electrical fires. His work began to attract attention outside of the central west, with the result that the National Board of Fire Underwriters became interested, lent its aid to the work, and Mr. Merrill's little laboratory became known as the Electrical Bureau of the National Board. As the work grew to more important proportions, it was extended to embrace the territory of the Western Union as well as the Chicago Board, and operated as a joint effort of the two organizations. It is interesting to discover by examining the records that W. S. Boyd, now secretary of the Western Association of Electrical Inspectors and electrical inspector of the Western Union, was Mr. Merrill's first helper. Franklin H. Wentworth, the well known secretary of the National Fire Protection Association, was his first field man, and Bradshaw Squires, who was his first boy in the laboratory, is now a

successful manufacturer's agent and jobber on the Pacific Coast.

GRADUALLY Mr. Merrill's work was extended to cover the whole field of fire protection and fire prevention engineering, and with this greater scope demands increased and larger quarters were obtained. The building which had been used as a boys' school on Twenty-second street in Chicago was moved into and seemed at first much too large. When the Union became interested Maj. C. E. Bliven was chairman of the Union committee and Edward M. Teall was the head of the Chicago Board. When acetylene gas made its appearance, W. C. Robinson, who was at that time sprinkler inspector

idea gained a foothold, by the formation of the Underwriters National Electric Association.

THE next great advance for Mr. Merrill's organization came under the auspices of the National Fire Protection Association, which formed a committee on devices and materials to cover the field of fire appliances. It was in 1901 that the Underwriters Laboratories was incorporated under the laws of Illinois, the state granting the charter "to establish and maintain laboratories for the examination and testing of appliances and devices, and to enter into contracts with owners and manufacturers of such appliances and devices, respecting the recommendation thereof to insurance organizations." Besides the work in electricity, good progress was now made with acetylene, gasoline, automatic sprinklers, hand fire extinguishers, fire doors and fire windows. The work in this widening field won the complete support of the National Board of Fire Underwriters and a general appropriation from that body to be used in the upbuilding of the institution, this relation continuing to the present time. In 1904 the school house became too small, and as a result the erection in that year of a model fireproof building at the present location on Ohio street followed.

WITH the occupancy of its present quarters, the Underwriters Laboratories entered upon a career of growth and expansion. It has become during the past 25 years an organization of great influence. It is distinctly a factor in the business life of the country. It has established itself firmly. Recently a New York office was established for the purpose of rendering more satisfactory and adequate service to eastern manufacturers. The Underwriters Laboratories now has agencies and branches in all the important cities of the United States and Canada. Its slogan is, "For Service—Not Profit," and it is admittedly one of the greatest service giving institutions in the country.

Three companies are celebrating their 85th anniversary this year, having been organized in 1837. They are the Citizens of St. Louis, the Firemen's of Washington, D. C., and the Westchester Fire of New York.



# Plate Glass Insurance in U. S.

BY WILLIAM F. MOORE

WHILE the manufacture of plate glass has been an established industry in France and in certain other sections of Europe for several hundreds of years, its production in this country is, of course, of far more recent origin, the first plate glass manufacturing plant of any size built here having been erected in Williamsburg, L. I., early in 1852. From modest beginnings, the industry in the United States developed fast and is now one of very substantial proportions; the total value of the plate glass manufactured here during the past year mounting into millions of dollars. While a limited quantity of glass is still imported into this country from England, France and Belgium, the duty upon the product is so high as to make the competition of foreign manufacturers with those of our own land virtually impossible. The home plate glass producer always regulates the selling price of his product according to tariff fluctuations, maintaining a schedule just a trifle below that at which the foreign manufacturer can successfully offer his output here.

THE growing popularity of plate glass for use in private residences, office and mercantile properties, particularly as a medium through which to display goods in retail stores, led to the formation of corporations for the indemnifying of loss to building owners or tenants incurred through the accidental breakage of windows and show cases. This form of protection, first offered in London nearly a century ago, and still popular in England and elsewhere throughout Europe, was introduced into the United States in 1867 through the formation of the United States Plate Glass Insurance Company of Philadelphia. During the ensuing few years other plate glass insurance companies were organized and with one exception confined themselves to this one line.

In the early "nineties" the insurance laws of New York were so amended as to permit the establishment of so-called "multiform" companies and thereafter many companies so organized included plate glass insurance in the lines operated, so that at this time there are about 50 stock companies and numerous mutuals engaged in the plate glass insurance business in the United States.

UNFORTUNATELY, there are no available reliable statistics showing the premium income from plate glass insurance here prior to 1895, but the returns had since the latter date, obtainable from official reports, disclose the average yearly income from the business to have been as follows:

	Total Premiums Five Years	Average Yearly Prem. Income
1896-1900 .....	6,856,008	1,371,202
1901-1905 .....	10,374,688	2,074,934
1906-1910 .....	15,941,115	3,188,223
1911-1915 .....	22,927,791	4,585,558
1916 .....	5,158,663	5,158,663
1917 .....	5,906,931	5,906,931

	Average Yearly Prem. Income
1918 .....	7,400,053
1919 .....	9,488,146
1920 .....	17,638,000
1921 .....	16,187,000

IN the early days of plate glass insurance, glass was cheap and premium rates for this form of indemnity were comparatively high, with the result that all companies engaged in the business made substantial profits, a condition that speedily invited competition, until now nearly every domestic and foreign casualty company operating here writes

the court of last resort in the settlement of any disputes as to correct rating or procedure. It is also agreed that each subscribing office shall furnish the rate-maker with such statistical information as he may require.

THE rate-maker does not merely apply arbitrary rates. He uses an analytical method which segregates the various hazards as respects geographical location, kind of glass, size and exposure to breakage both as to premiums and losses. In other words, he applies the most approved modern methods of



William F. Moore, organizer and manager of the Moore Plate Glass Rating Bureau, has spent the better part of the last 40 years in the insurance business. He first entered business in commercial accounting work and joined a well known fire insurance agency in New York City early in the '80s. From this work he went to an official position with the Union Ferry Company. It was in 1890 that Mr. Moore became connected with the Fidelity & Casualty, then under the management of the late George F. Seward, and later Mr. Moore became superintendent of its liability and allied departments, which was a most responsible position. Mr. Moore was elected a vice-president of the United States Casualty in 1895, subsequently becoming its general manager as well. He was called to the presidency of the New Amsterdam Casualty in 1901,

holding that position until 1915, when he was elected chairman of the board and continued in that capacity until 1917. Mr. Moore had always made it a point to go to the bottom of any branch of insurance in which he was interested. He had carefully studied the formulation of plate glass rates, and so in the spring of 1917, when the companies writing plate glass business were considering some means of stabilizing rates, Mr. Moore was asked to propose a plan. This was the origin of the Moore Plate Glass Rating Bureau, which has placed the business of insuring plate glass on a much more scientific plane than ever before. Mr. Moore furnishes his rate-making service to companies which subscribe to it, and he has gradually built up the most complete store of statistical information which has yet become available covering plate glass insurance.

plate glass insurance. The strife for income at length became so keen that rates were savagely cut to a point where profit upon the business was approaching the vanishing point. Many efforts were made to enlist the companies in rate agreements without effect, because there was no authority to enforce compliance. Rates agreed upon were seldom, if ever, strictly observed. In 1917 an independent rating service was launched, its operations covering all sections of the country. Tariffs, predicated upon loss experience, and embracing acquisition costs and a fair margin of profit were supplied to all companies subscribing for the service. Under the plan each subscriber is bound to maintain the rates without regard to the action of any other subscriber wherever such action does not conflict with the law; the contract stipulating further, that the rate-maker shall be

cost accounting, and is in a position to ascertain quickly the relative insurance value of glass of any kind or in any location, subjected to various hazards. By this means he is able to furnish information which serves to guide the company in the selection of risk and also to fix rates which will prevent loss on certain classes of business which have heretofore been underwritten at a loss because they formed frequently only a part of important risks. Formerly there had been no adequate statistical data upon which to make anything more than a general rate for glass of all kinds and it will be manifest that while a company might make a profit on this plan, its business might easily be turned into loss by an inordinate increase in the poorer classes and a corresponding decrease in the better; and this entirely through lack of the knowledge which is disclosed by proper cost

accounting and the consequent failure to vary the rates in accordance with such knowledge.

IN the past none but the most primitive methods were used by most companies, and where any improvements were made, they were on individual initiative and did not produce comparable results. By the assignment of work to the office of the rate-maker he is enabled to handle all information however presented and compile the combined material in a useful way.

The present method of rate-making has been in operation for more than five years and has accomplished much good for the plate glass insurance business. Without this or some equally good method the companies would have suffered serious loss, and while it has not been possible thus far to keep the loss ratio stationary, because of the continuing increase in the plate glass market, it is confidently expected that eventually the rates will be so stabilized as to establish a normal loss ratio which will assure a reasonable profit.

The plate glass insurance policy provides for either replacement of the glass or payment in cash at the current market price. There is no question of sound values and the salvage is of minor importance. In some few instances insurance is granted on the basis of a stipulated amount of insurance, as in memorial windows, bent glass, decorations on glass, etc., but the amount of premium involved in such insurance is negligible when compared with the whole.

WHEN the insurance of plate glass was first undertaken it was found impracticable to establish rates based directly, like other forms of insurance, upon the stated amount of insurance because the principle of service in replacement was involved in all adjustments.

For many years the premiums were computed by a percentage of the list price of the glass varied by the size of the plate insured. This could be done if handled directly by the home office of the companies, but with the extension of the business through agency connections throughout the country it became evident that some simpler and more direct method must be applied, as it was difficult, if not impossible, to compute a premium without first ascertaining the list price of all the glass involved in a given risk.

A PLAN was, therefore, devised which provided for a complete set of tables giving the various sizes of glass and the premium for each, so that any agent or broker could readily compute a premium by applying the rates given in these tables to the schedule of glass to be insured.

In each case, however, a surveyor measures the glass and confirms the schedule so far as size and positions are concerned, and thereafter the premium is computed.

In cities where a plate glass exchange is maintained, as in New York City, the schedule is filed with the exchange with

the current premium, which until changed becomes the official premium for the given risk.

**B**UT few changes have been made in the original tables of rates for the various sizes, but such rates are treated as basic rates and are subject to percentage variations due to changes in the plate glass market. Changes in hazard are handled by applying zone differentials for different parts of a city which vary in loss frequency.

Before a rate can be made on any new

plate glass risk not on file in the exchange, there must be provided a complete schedule of all the glass on the premises which is desired to be insured, showing the number of lights of each size, also the kind, position and use. Each plate is a separate and distinct risk and no blanket policies are permitted to be written. While the average premium for plate glass policies is comparatively small, it often happens that the schedule of sizes will require several typewritten sheets to be attached to the policy. It is, therefore, provided

in the rules that the schedule of glass need not be actually attached to the policy provided a notation is made that such schedule is filed at the home office of the company. The filing of the schedule in the exchange accomplishes the same purpose.

**T**HERE is probably more detail involved in the issue of a plate glass insurance policy than in any other form of casualty insurance, as each light must be separately treated and the premium thereon computed. This work is purely

clerical, however, as the rules and rates provided by the manual and tables are the basis in all cases, subject to such differentials as may be provided for the given locality.

The variations from the table rates at present range from the flat table rate to five times the table rates, governed by the hazard and loss frequency of the location of the risk. The variations from the manual rates for a given risk are applied after the manual rate has been ascertained as heretofore indicated.

# Fire Prevention—Past and Future

BY RALPH E. RICHMAN

Editor of "Fire Protection"

**T**HE NATIONAL UNDERWRITER began publication in a period which was marked by the beginnings of an organized and systematic attempt to control the American fire waste by fire prevention as complementary to fire extinguishment. Prior to 1895 there was no state or national movement directed primarily to promotion of the fire prevention idea. Each local community maintained its municipal fire department and this department centered its activities upon fire extinguishment.

THE NATIONAL UNDERWRITER began publication in 1897. In 1895 the National Fire Protection Association was organized; it held its twenty-fifth annual meeting last year. In 1901 the Underwriters' Laboratories was incorporated. In 1900, Ohio established a fire marshal department, the first of the thirty-four similar departments now in existence. Massachusetts had passed a fire marshal law a few years previous to this date but it did not survive the vicissitudes of politics and had to be re-created by statute.

**I**N the last twenty-five years, the emphasis of the fire prevention movement has been placed successively upon three ideas. In the beginning there was a concentration upon improvement of building construction as the sine qua non of fire loss reduction. Much of the foundation for the present progress in fire safe building construction was outlined by the pioneers who served on the first committee of the National Fire Protection Association. Many of the municipal building codes enacted in this period have never been completely revised, only added to or subtracted from.

The idea next emphasized by the fire prevention forces was the inspection of buildings for elimination of common hazards. It was in this period from about 1910 to 1920 that the method of building inspection by fire departments spread with great rapidity over the entire country. It was also the period in which many of the state fire prevention associations had their most active careers. Removal of the physical hazards of fire, particularly such hazards as might be removed without complete rebuilding or expensive repairs, was the chief object of the inspection.

**F**IRE loss observers soon saw that while the improvement of building construction was of great importance and was an essential for reduction of the fire waste, it did not touch the most vital element in fire cause, the indi-

vidual citizen. Inspection of buildings for removal of physical hazards came closer to a general education of the individual in fire safety methods. Here again, however, it was seen that no matter how frequently a physical hazard might be removed, unless there was a continuing interest in prevention of fire, on the part of the building owners themselves, the inspections could not be made frequently enough by outside forces to insure a constantly fire safe condition. There was no minimizing of the value of the inspections, for fire prevention; they have been continued and extended but it was recognized that these inspections did not touch fundamentals. Nothing less than personal education and a consciousness of personal responsibility meets the fire prevention need.

**T**HE third period then has seen the emphasis upon laws requiring the teaching of fire prevention in the public schools, laws recognizing the personal responsibility of the individual for fire loss and a constantly increasing recognition of the intensive, localized fire prevention campaign as the most effective procedure toward fire loss reduction. As a matter of course and because of their great value, efforts toward the improvement of building construction are greater than ever before; likewise fire departments and other organizations are also making more frequent inspections and in a greater number of occupancies, but at the present time, the education and personal responsibility measures have the right of way. For instance in last year alone the legislatures in California, Rhode Island, West Virginia, Wisconsin and Ohio passed compulsory fire prevention educational laws and that in the state of New Jersey had acted in the year previous. Within the last five years dozens of cities have enacted personal responsibility measures, very mild in their effect, but yet marking a beginning.

**I**T would be easy to multiply the citation of events showing the general development in fire prevention work as outlined in the paragraphs above. For instance, it was not until 1910 that the National Fire Protection Association established its committee on publicity and education; it was in 1913 that its committee on safety to life held its first

meeting. In 1912 the announcement of a municipal fire chief that his experiment of making building inspection by members of the uniformed force had proved a success was considered news in the fire journals of the country.

**W**HEN state fire marshal departments were first established, they gave their attention almost exclusively to investigation of incendiary fires and prosecution of incendiaries. In other words, they were created to furnish a specially trained detective force for the detection and prosecution of a specific type of criminal. Contact with this fire prevention program soon convinced those who served as the first fire marshals that the plans of fire marshal departments, as then being carried on, touched only surface possibilities for safe direction in fire prevention work. The next step was to incorporate in every fire marshal law sections giving the fire marshal authority to inspect buildings and to order repairs or condemnation and finally, the most recently suggested model laws include sections giving fire marshals wide latitude in the expenditure of funds for reaching the public with fire prevention information.

**T**HE Dominion of Canada has a personal liability measure, applying to the entire country, a measure which is much advanced beyond anything that has been proposed for the states of the Union. Pennsylvania is alone among the states with a personal liability law applying to some of the larger cities in that commonwealth. Among the cities where a personal liability measure is enforced by local ordinance are Newark, Cincinnati, Cleveland, Portland, Oregon, and the following cities in Texas: Austin, San Angelo, Wichita Falls, Cleveland, Greenville and Ranger. These personal liability laws go no further than to make it possible for a city to collect, in a civil suit, the cost of extinguishing or attempting to extinguish a fire which originates or spreads by reason of the failure of a property owner or tenant to obey some ordinance or some order of an authorized official. The whole idea of emphasizing personal responsibility for fire losses is in its infancy in this country. Efforts have been made in the last two years to have Maryland and

Massachusetts to pass personal liability laws, but thus far such efforts have failed.

**E**XTENSION of the principle of personal responsibility in dealing with fire losses may be expected in coming years. In addition to the forces operating to educate the people to an understanding that a fire loss reflects upon good citizenship and is an indictment of carelessness, sometimes criminal, economic factors will work for fire loss reduction, compelling the public to make the guilt of fire personal in order to curb the fire waste. It is unfortunate that the institution of fire insurance tends to destroy the feeling of personal responsibility for fire loss and for fire prevention. The tendency of the public is to throw the burden for fire prevention on every other possible interested party except itself. This is the destructive attitude which will be principally fought in the next few years with efforts to make fire guilt as well as responsibility for fire prevention personal.



J. H. Higgins

An anniversary number of THE NATIONAL UNDERWRITER would not be complete without special mention being given to J. H. Higgins of Dayton, O., former vice-president of the paper and for many years one of its valued advertising men. Mr. Higgins has a wide acquaintance among insurance men. He retired from insurance newspaper work some months ago to give his attention to his own private business.



# Problems of Casualty Agencies

BY THOMAS E. BRANIFF

**Y**OU hear a lot of discussion these days about the future of the agency situation in the casualty and surety business. The many changes that have occurred comparatively recently in the commission situation are responsible for the bewilderment and confusion that exists as to what the business has to offer.

During my own comparatively brief career of twenty-one years in the insurance business, I have seen the greatest development in the casualty and surety lines this business has ever experienced. From where I am writing, statistics are not available, but I have in mind that within the last few years, the casualty and surety premiums have reached the astonishing total of approximately \$400,000,000 annually, which is as much as the fire insurance companies, old as their business is, were writing only a few years ago.

**T**HE development of this business has been very largely through the medium of the so-called "general agency" system. The general agents were the pioneers who developed this business more quickly and more economically than it could have been done through any other system, and the results, both as to the tremendous growth of the business and the profits that have been made from it, speak for themselves.

Recently there has been a great deal of dissatisfaction regarding the so-called "acquisition cost" of the casualty and surety business, particularly the former. The responsibility for the increased acquisition cost is a matter of varied opinions. It is true that the cost of doing business in every industry has increased enormously of late years, and it is doubtful if the cost of transacting the insurance business has increased out of proportion. That, however, is not in itself an excuse for extravagance or unreasonable cost of placing business on the books of the insurance companies, if such cost is unreasonable.

**T**HE general agency system of conducting the insurance business in accordance with the rules that have been adopted by company bureaus from time to time, if faithfully and rigidly adhered to, would not produce an excessive acquisition cost. It is through the willful disregard and violation of those rules that the trouble has come. Ambitious company officials, bent upon advancing the interests of their own companies, have disregarded and violated the rules that have been prepared and agreed to for the protection of the business, and have inaugurated practices involving waste and extravagance. Commissions to agents and brokers in many highly competitive, large volume producing sections of the country greatly exceed the entire cost of acquisition and supervising the same business in other sections of the country. This situation has not been created by the agents or the general agents, but is the direct result of the greed for business of some company officials who have gone beyond the bounds of reason in their fight for business with one another.

**M**ANY companies have within the last few years disrupted the agency organizations of other companies, by giving to their best producing local agents an excess commission and a title as "general agent," without placing upon them any supervising responsibilities, and in direct violation of the solemn agreements of the association of companies. Other companies, finding that no penalty is attached to such violation of the rules, and seeing their business slip from them, have gradually, and apparently reluctantly, followed the same practice. The result is that the margin of commission paid to general agents with a territory to supervise and stimulate has gradually disappeared, and

insurance business. We like to think of the insurance business as a profession which ranks in its requirements of education and training and skill and dignity and public benefit with the other great professions of the world. We would like to feel that we would be doing a good turn by our sons to encourage them to follow us in the profession of insurance. Other professions have no limitations placed upon the measure of success or profit which may be derived from them. The movement to eliminate the supervising agent and substitute in his place a multitude of smaller units is a tendency in the direction of eventually reducing all insurance agents to the basis of clerks upon small pay.



*T. E. Braniff, of Oklahoma City, Okla., conducts a large general and local agency. Mr. Braniff is one of the live wires in the insurance world and is now president of the National Association of Casualty and Surety Agents. He has just completed plans for the erection of a ten-story office building in Oklahoma City to be known as the Braniff building. In addition to his insurance business, Mr. Braniff conducts a loan agency under the name of Braniff & Leonard, which deals largely in farm mortgages and other securities. Mr. Braniff has contributed greatly to the welfare of the business in a number of ways. He is prominent in the agency association movement and has been identified with all efforts for the general good of insurance. One of the practices of his agency is to have*

*ors every Monday morning a bulletin sent out by his office touching on some phase of the business in which the agents are interested.*

we have in its place a condition under which many companies are offering to pay any local agent approximately or entirely the commission schedule which was agreed upon by the companies in their association as applying to a general agency with supervisory responsibilities.

**T**HE effect of this of course has been both to increase greatly the cost of acquiring business, and to impair the earnings and the opportunities of the legitimate general agencies of the country. By legitimate general agencies, I mean those that are charged with the development of a substantial territory, with sub-agents reporting direct to them, and with the responsibility upon them to obtain the maximum results from their territory, consistent with the commission schedule allowed under the bureau rules.

This disposition on the part of some companies to tear down the system under which the wonderful growth of the casualty and surety business has occurred, if carried to its logical conclusion, would destroy the most valuable element in the agency end of the insur-

is a matter of taste, provided that company does not follow the practice of permitting a commissioned agent to develop its business, and then turn it over to a salaried manager, and provided further, that no limitations are placed upon the earning power of the supervising manager. I would have the compensation of home office officials and branch managers so commensurate with the ability of the individual, that every local agent would aspire to attain such a position; and I would further leave the opportunities of the commissioned agent's field so unrestricted that every company official or employee who feels that the rewards for his talents are restricted on a salary basis, could enter into the commission field, and have the fullest scope for the exercise of his abilities.

**T**HERE is nothing the matter with the general agency system. If the branch office system should succeed the general agency system in general practice, and the companies themselves do not have a more effective method of enforcing their rules than they have had in the past, and frankly, have at the present time, it would only be a matter of time until some ambitious company or companies would tear down the branch office system, and substitute something else in its place as a means of promoting their own selfish interests. The problem is not in the relative advantages of general agency or branch office systems, but is in the power of the companies to enforce the rules of their organization, and to penalize immediately and effectively any company which may seek to gain advantage to itself by violating such rules, so that the example of the penalty would forever hold in check other companies which might be similarly inclined.

**T**HE general agent has proven his worth. The branch office may be competent, and is perhaps more in accordance with the temperament of some companies, but what we need in the casualty and surety business is a stabilizing of the rules and the rates of commission, so that an agent may know that the best years of his life spent in the upbuilding of a business, will not be destroyed by some quarrel among the companies themselves, or by the inability of the companies to hold their own members in check.

The public too is interested that this be done. When violations occur in the reasonable commission schedule that has been developed in company organizations as a result of years of conference, and excess commissions are paid by one company in an effort to out-do others in the volume of its business, it is the public that generally pays the bill, and the public's resentment is bound to manifest itself sooner or later, probably through legislative means, which will re-act upon the innocent in the business as well as the guilty.

Can we in the casualty and surety business clean our own houses? I hope so.

**I**S it unreasonable to suppose that if the large general agencies of this country should be eliminated by this process, it will only follow naturally that in the course of time the large local agencies will be eliminated in the same manner, and instead of commissioned offices, there will be substituted salaried clerks? Is this the sort of tendency which is likely to attract the highest type of ability, and hold men who are capable of making their way with distinct success in almost any line of business? When crises come in the insurance business and men are needed to create favorable public sentiment, or to ward off destructive legislation, it is then that the highly successful agent who has created for himself a position of social and political and commercial influence in his community, is called to the rescue.

Do not understand me to mean that I am drawing a contrast unfavorable to the so-called "branch office manager," as compared to the general agent, in the supervision of the insurance business. Whether a company employs general agents or branch managers in the development of its business



# Insurance Salesmanship's Growth

By WELLINGTON POTTER

**D**URING the past quarter of a century the insurance business has undergone a marked change as a result of logical causes. Inasmuch as the value of insurance protection has been recognized to be an important fiber in every line of endeavor, the insurance business has been changed and widened to meet the new and varying conditions in industry, commerce, agriculture, transportation and domestic life.

**T**HE many inventions in the manufacturing business, the advent of the subway, the skyscraper, the electric railroad, the automobile and the motor truck have made greater protection a necessity. Even the change in the mode of living and travel has created new hazards and brought about new contracts. Conditions in the field of labor have brought into being a wide variety of policies that were hitherto unknown, both to protect the employer and the employee.

The recent war with its many ramifications called upon the insurance companies and agents for protection against new conditions and hazards of all kinds. The period following the conflict brought the crime wave and its consequent demand for extra precaution and safety.

**I**T has often been said that the past quarter of a century saw the greatest development in invention, industry, construction and transportation, and it is equally true that this period witnessed the most marked strides in the insurance business. Hence the insurance agent has been compelled to quicken his pace and keep up with the procession. Instead of handling only the few policies connected with fire, accident, life, liability and boiler insurance, he has been confronted with the necessity of providing many new and diversified policies to meet the conditions of the day.

**S**OMEONE has aptly said that it is unprofitable to "Look Backward," but that one should "Glance Backward and Look Ahead!" This seems to be good advice in the present instance; however, it is earnestly hoped that the "glance" at the past will enable us to profit by the mistakes made.

**L**IKE many other lines, the insurance business has suffered on account of becoming more popular.

Time was when there were only a few insurance agents in each community, and they and their business were respected. The agents kept in close touch with their clients and rendered good service, as fire insurance was practically the only line they handled.

**Y**EARS passed; many new lines of protection came into being and thousands of other people appeared in the insurance business from various sources. Many of these had failed to succeed in their respective lines, and, being under the impression that it required neither brains nor capital to

become an insurance agent, the step seemed easy.

Unable to secure any school or college training in this line of business, these "would-be" agents were handicapped. Furthermore, they were not required to pass through any period of apprenticeship or study before they could assume the role of a full-fledged insurance agent. Thus this easy road to an apparent soft berth attracted many undesirables, both old and young, intent upon doing as little work as possible in order to reap the hoped-for large commissions.

**T**HE success of the old reliable insurance agencies became better known. Some of the newcomers into the field soon realized the need for study, close application and real serv-

attempts of politicians, demagogues and reformers to stir up trouble for their own benefit.

The public mind, ever suspicious of large interests, readily responds to the bait or lure of the promoter, be he of the political, cut-rate or reciprocal type, only to learn the lesson by the method of sad experience.

**D**ESPITE this condition of affairs, the institution of insurance is deserving of the attention, interest, confidence and support of every man, woman and child in the United States today. There is absolutely no question as to its stability because it has stood the test of time. It is the real backbone of every individual, business, municipality, state and government.

Of the 600,000 agents in the United

States, one agent, who was fond of reading fiction, entered the business without any preparation, and when he realized the bigness and seriousness of the profession, gave up this pleasure for ten years in order to devote the proper amount of time to study, preparation and keeping up with the profession.

**A**GENTS in different sections of the country are cooperating in the matter of setting before the public many facts as to the value of insurance and the services of the agent. This is unquestionably a big step in the right direction. However, it must be backed up with individual work.

The individual work consists in giving up the old practice of sending out policies and delivering renewals by mail or office boy. This custom has grown until it has helped to divorce the agent and the assured to the point that the assured has wondered what the agent does to earn his commission. Furthermore, at this point the argument of the mutuals, reciprocals, etc., to the effect that they do not pay agents' commissions, has entered with telling effect.

Only the other day I heard an agent complaining about having to deliver some workmen's compensation insurance notices to his client. He said that he thought the company should have mailed them direct. He missed the idea of service. He failed to realize that there was an opportunity to show service and at the same time solicit or lead up to some other line of protection.

**I**HAVE watched some agents solicit fire insurance, and they fairly begged for it upon any basis. Others merely took an order without attempting to get the details so as to write the contract correctly.

Another agent goes into any factory, store or office fearlessly and announces that he is in the fire insurance business and desires to know if there is an opportunity to demonstrate his services. His manner indicates that he knows the business, because he radiates enthusiasm and sincerity.

He does not merely take an order, but he secures all the details as to correct firm name, and if the firm is a co-partnership, he uses diligence to secure the correct name of all members. He secures facts as to the assured's interest, improvements, incumbrances, agreements with railroads, operation of plant as to nights, shut-downs, light, heat, power, explosives, watchmen, fire protection devices, etc.

He makes it his business to find out about automobiles stored on the premises, the quantity of dies, patterns and manuscripts used and the value, the lack or need of appraisal—in fact, everything that has a bearing upon the insurance contract that he will later submit, so that, in case of fire, his client will be adequately covered.

**O**WING to the fact that he has solicited this line of insurance upon a business basis, only, he has the cour-



Wellington Potter of Rochester, N. Y., is a member of the agency of Frost & Potter of that city. He is a young man who has spent his life in studying salesmanship and in applying its scientific principles. He received his early training with the Travelers Insurance Company. He started in 1913 as a special agent. He was educated in the company's training school at Hartford, then joined the Hartford branch office and in 1915 became assistant to L. N. Dennison, superintendent of training and instruction in the school. Then he was promoted to the position of special agent at the home office, then to field assistant and later to agency assistant. Mr. Potter has had a fine experience both in the office and field. In 1918 he became assistant superintendent of agencies, serving the Travelers in 22 states. Mr. Potter, however, thirsted for blood and went out into the field as a producer of business. Knowing the theory of salesmanship, he is now seeking to apply it successfully in business building.

ice. Evidences of success were apparent and this attracted others to the business, many of whom tried to operate a la side-line.

The methods of solicitation were quite naturally as unbusiness-like as the people in the business, and soon there sprang into being the pest that "worked" his friends, relatives, church and club members. Hence the beginning of trouble in the business.

**L**ET us omit a recital of the hundreds and thousands of cases of angered, disappointed and embarrassed policyholders, who found out too late the cost of doing business upon such a basis, and get down to brass tacks for present and future benefit.

We are compelled to admit that there are too many people who lack respect for the insurance agent and the insurance company. While some of this prejudice and opposition has been brought about by the people in the business, there are other causes outside the business, such as the frequent

States there are many that realize these facts, because they know the truth about the business, and conduct their offices in a business-like manner. They are decided assets to their community and are awake to the needs of the situation.

These agents realize that the great need is education of the public, not only in words but in deeds. In addition to joining with each other in local, state and national associations for interchange of ideas, they are so conducting each transaction that the buyer will have cause to admire the agent, the company and the business.

**I**N order to accomplish this, they have seen that a thorough knowledge of the business is absolutely necessary and have become students of the business. They have mastered contracts, manuals and rate sheets in detail and thus have been free from nervousness and uneasiness in the presence of the prospect—hence have been better able to close sales.

age of his convictions to talk and ask questions; to advise the prospect intelligently and to secure larger policies, if necessary. Needless to say, this agent is successful and his services are valued.

To remedy the evil of the past quarter of a century, there are no short cuts or royal roads, but on the other hand, the task calls for the individual as well as the cooperative effort of every insurance agent, particularly the hard, consistent, intelligent work of the individual.

LET us glance at the banker, doctor, lawyer and engineer, whose professions, or parts of which, are combined into that of an insurance man. These men have prepared for their work by study, training and apprenticeship and they are proud of their professions. They read their respective trade journals in order to keep abreast of the times. They give advice and it is accepted without much argument. They build enviable reputations.

It is plain to be seen that the insurance man, the agent particularly, without the preliminary training of the others must strive the harder to reach his goal.

He should, by all means, eliminate some of his present unnecessary reading in order to review carefully each week from cover to cover a good insurance journal in order to be informed.

He should be proud of his profession because it stands behind the safety and solvency of every individual, home, business and industry, and it was one of the very few lines of endeavor that did not boost its prices during the war. Furthermore he should realize that a good insurance man is doing a big service to the community and needs no apology.

He should be in a position to give advice respecting insurance contracts, coverage, etc., or in connection with the reasons for choosing reliable companies when lured by "the-just-as-good-for-less" propositions.

Last, but by no means least, he should build an enviable reputation as to knowledge of the business, integrity, and service, and thus safeguard his agency now and during the next quarter of a century.

## Company Mortality Heavy

At the end of 1897 The Ohio Underwriter had assumed more important proportions from an advertising standpoint. It is interesting, however, to notice the mortality among insurance companies in looking over the advertising pages of the paper at that time. For instance, the Cincinnati Insurance Company, Commercial of Cincinnati, National of Cincinnati, Franklin of Columbus, O.; Cooper of Dayton, O.; Life Insurance Clearing Company of St. Paul, Hartford Life Insurance Company, Indiana & Ohio Live Stock Insurance Company, Saginaw Valley Fire & Marine, American Fire of Philadelphia, Magdeburg Fire, Broadway of New York, Merchants & Manufacturers of Cincinnati have flickered out. The Hartford Life maintains a corporate existence for its old assessment business but it is no longer in the active field.

## Many Strong Personalities in Casualty Field 25 Years Ago

THERE were three or four groups of men in the miscellaneous insurance field in 1897. First there was a group of accident men. That was one of the major lines at that time. In addition to the few stock companies writing accident insurance there was a distinguished group of mutual company men that were a strong force. The mutuals had the bulge on the business in many respects. There were men in the field who were splendid business men, great organizers and sagacious administrators.

James G. Batterson was then president of the Travelers and was regarded as the father of accident insurance in this country. M. G. Bulkeley, the present head of the Aetna Life, was in the heyday of his glory. The Aetna then was writing life and accident insurance. At that time Walter C. Faxon was assistant secretary. The Preferred Accident had begun to come forward as a good premium producer, P. C. Lounsbury, being president and Kimball C. Atwood, secretary. The Fidelity & Casualty was strong in the field headed by George F. Seward, with R. J. Hillas, secretary and treasurer. Ralph Butler was president of the Central Accident of Pittsburgh. At that time he and Mr. Seward were carrying on a spirited correspondence over accident insurance practices. In St. Louis was the old Union Casualty, headed by C. P. Ellerbee. It was doing a fair accident business. The Standard Accident of Detroit was another company that was doing a large accident business. The Interstate Casualty of New York was doing an accident business.

OUT west there was a galaxy of famous mutual men, A. E. Forrest being manager of the North American Accident of Chicago, while Charles H. Bunker was head of the Metropolitan Accident and Thomas S. Quincey was the chief factor in the Star Accident at Chicago. The United States Health & Accident of Saginaw, Mich., had at its head J. B. Pitcher. The United States Benevolent of Duluth, acquired later by V. D. Cliff, now head of the Federal Casualty of Detroit, was doing a big business, as was the National Accident of Detroit, managed by old "Dad" Thomas. The old United States Mutual Accident of New York had just blown up. However, it produced some men who have become prominent. The Massachusetts Accident had as its chief factor George L. McNeill, looking like a patriarch with his long white whiskers. H. B. Meininger was secretary of the Commercial Mutual Accident of Philadelphia. W. K. Bellis, with that unique signature that he used as a trade-mark, was head of the Railway Officials & Employees of Indianapolis. W. H. Dyer had the New England Mutual Accident. William Bro Smith, now with the Travelers, came out of the United States Mutual Accident wreck. Franklin J. Moore was a New England official, as was W. H. Jones.

IN the liability and heavier casualty lines there were some strong personalities. Colonel Mayberry of the Standard Accident was the man who went to all the conferences. President C. P. Ellerbee of the Union Casualty Company attended for that company. George Munroe Endicott, United States manager of the Employers Liability, was the big man there. George F. Seward of the Fidelity & Casualty was the strong head of that organization. Capt. A. W. Masters was United States manager of the London Guarantee & Accident and was one of the picturesque figures of the day. The old American Casualty & Security of Baltimore, with \$1,000,000 capital, had failed, due to mismanagement, bad underwriting and more or less speculation. It was the original multiple line company, writing all casualty and surety lines. It started as the American Steam Boiler and ran a merry race for a while with the Hartford Steam Boiler. The American Casualty, however, went down in 1893.

SURETY was in a stage of infancy and hardly was developed. The American Surety was the leading company and had the strong lead on the business. In fact, its premiums in 1896 were \$1,169,777. The Fidelity & Deposit had just been organized by Edwin Warfield. The United States Fidelity & Guaranty had started in 1896 to do a surety business with ex-Governor Frank

Brown as president and A. P. Knapp as secretary. The Guarantee Company of North America and the United States Guarantee of New York were doing a little business. The National Surety was organized in 1897, it having been originally the M. K. & T. Trust Company, located at Kansas City. W. B. Joyce, now its president, was general agent in St. Paul.

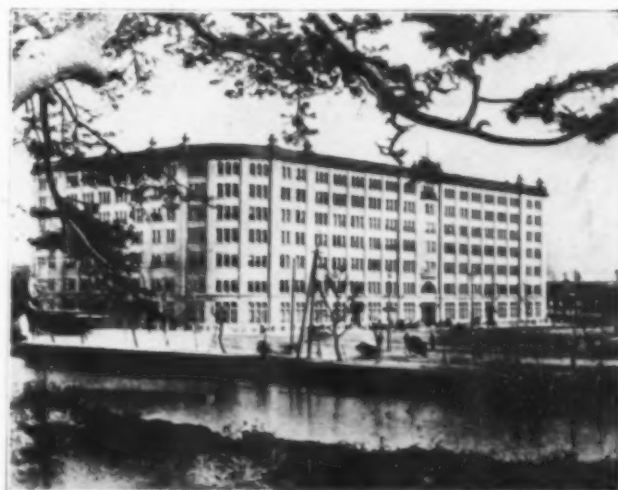
THERE were two companies writing credit insurance, the first being the American Credit Indemnity, with S. M. Phelan president and E. M. Treat as secretary. The Ocean Accident had entered this country to do a credit business with Oscar Ising as manager.

The plate glass companies had begun to display themselves. The New York Plate Glass, Lloyds Plate Glass, the Metropolitan Plate Glass, now the Metropolitan Casualty, and the New Jersey Plate Glass were the leaders in the field. The Hartford Steam Boiler had the bulk of the boiler business, its premiums in 1897 being \$848,980. The casualty business as a whole, however, was small and unimportant. The great strides in the casualty and surety lines have come in the last 10 or 15 years.

One of the articles in the first issue of the Ohio Underwriter dealt with the probable successor of Abram Williams, western manager of the Connecticut, who had died. P. D. McGregor was the next man in charge and it was predicted that Mr. McGregor would secure this appointment. The prediction did not come true but Mr. McGregor later was appointed western manager of the Queen and became one of the most prominent underwriters.

## THE TOKIO

### MARINE AND FIRE INSURANCE COMPANY, Ltd.



HOME OFFICE BUILDING, TOKIO

UNITED STATES FIRE BRANCH  
J. A. KELSEY, General Agent  
80 MAIDEN LANE, NEW YORK



# Progress of the Fire Companies

IT IS interesting to note the progress that companies have made during the past 25 years. The growth has been remarkable. In order that this development may be visualized, there is given herewith a comparison of figures of stock fire companies of 25 years ago that are still in the field, as of Jan. 1, 1897, and Jan. 1, 1922. The list is as follows:

Company and Location	Capital	Assets	Net Surplus	Premium Income
Aetna, Hartford, Conn.....1922	\$ 5,000,000	\$38,894,699	\$ 9,067,090	\$21,910,522
1897	4,000,000	11,431,184	3,849,988	3,783,330
Agricultur'l, Watertown, N. Y. 1922	1,000,000	7,518,599	1,640,912	4,190,221
1897	500,000	2,332,245	360,295	1,059,902
Albany, Albany, N. Y.....1922	250,000	1,488,362	630,742	462,213
1897	250,000	461,171	126,368	104,923
Allemania, Pittsburgh, Pa....1922	500,000	3,180,486	942,701	1,431,358
1897	200,000	449,735	108,444	198,402
American Alliance, New York. 1922	1,000,000	3,808,438	1,255,224	1,367,730
1897	200,000	306,250	105,805	.....
American Central, St. Louis..1922	1,000,000	7,301,019	1,192,876	4,640,026
1897	600,000	1,669,244	293,584	811,113
American, Newark, N. J.....1922	2,500,000	17,836,502	3,611,471	8,958,031
1897	600,000	2,749,152	1,606,414	525,118
Amer. Fire, Washington, D. C. 1922	100,000	410,359	262,344	30,987
1897	100,000	245,143	135,428	19,431
Assur. Co. of America, N. Y...1922	200,000	1,327,233	550,093	581,598
1897	200,000	400,000	200,000	.....
Atlas, London, Eng.....1922	.....	5,440,809	1,434,751	3,889,667
1897	.....	1,005,729	523,656	607,685
Baltimore Am., Baltimore, Md. 1922	500,000	1,635,842	732,901	294,440
1897	200,000	385,473	137,785	43,487
Birmingham, Pittsburgh, Pa. 1922	200,000	556,362	204,598	117,068
1897	200,000	316,254	89,537	24,256
Boston, Boston, Mass.....1922	1,000,000	12,779,109	3,352,504	6,256,097
1897	1,000,000	2,775,519	1,149,294	934,557
British America, Toronto ....1922	.....	2,256,915	655,879	1,395,596
1897	.....	1,191,712	452,405	1,104,120
Buffalo, Buffalo, N. Y.....1922	400,000	3,790,545	2,108,676	954,281
1897	200,000	1,870,281	1,301,650	395,235
Caledonian, Edinburgh .....1922	.....	3,676,473	1,164,635	2,230,407
1897	.....	2,101,184	922,322	1,230,699
Camden, Camden, N. J.....1922	1,250,000	7,213,735	1,157,152	4,185,442
1897	105,730	275,163	114,605	25,020
Capital, Concord, N. H.....1922	300,000	1,301,982	332,598	489,934
1897	200,000	411,245	30,561	179,843
Central, Baltimore, Md.....1922	500,000	2,082,679	1,034,288	313,581
1897	500,000	1,228,618	590,075	126,380
Citizens, St. Louis, Mo.....1922	200,000	1,078,608	285,057	214,507
1897	200,000	705,904	286,634	312,283
Commerce, Albany, N. Y.....1922	200,000	1,065,949	501,220	287,382
1897	200,000	395,151	87,222	141,682
Commer. Union, London, Eng. 1922	.....	14,057,804	4,496,434	8,399,611
1897	.....	3,417,710	1,162,838	2,594,035
Commer. Union, New York.....1922	200,000	1,968,690	170,448	1,437,129
1897	200,000	251,696	23,737	43,999
Commonwealth, New York....1922	500,000	4,421,468	1,376,446	2,310,400
1897	500,000	841,575	223,616	188,861
Concordia, Milwaukee, Wis...1922	750,000	4,710,587	790,183	2,694,554
1897	200,000	803,468	160,602	426,243
Connecticut, Hartford, Conn. 1922	1,000,000	12,421,018	3,588,190	6,339,930
1897	1,000,000	3,300,017	668,331	1,724,852
Continental, New York .....1922	10,000,000	43,389,862	12,139,299	16,302,444
1897	1,000,000	7,776,347	2,564,219	3,445,828
County Fire, Philadelphia ....1922	500,000	1,604,989	629,843	980,524
1897	400,000	871,506	155,561	117,617
Detroit F. & M., Detroit, Mich. 1922	500,000	3,296,238	1,355,536	1,196,667
1897	100,000	1,268,972	584,224	236,639
Dubuque F. & M., Dubuque, Ia. 1922	500,000	3,254,863	622,054	1,474,615
1897	100,000	341,557	172,697	75,771
Equit. Fire, Charleston, S. C. 1922	300,000	916,122	322,207	263,078
1897	108,945	125,048	5,771	12,820
Equ. F. & M., Providence, R. I. 1922	1,000,000	3,477,729	1,288,712	1,076,517
1897	300,000	676,194	141,172	294,997
Eureka Security, Cincinnati, O. 1922	250,000	1,037,384	468,228	212,336
1897	100,000	295,534	84,430	108,255
Farmers, Cedar Rapids, Ia....1922	200,000	1,394,729	454,744	448,278
1897	100,000	540,118	66,861	265,449
Farmers, York, Pa.....1922	.....	1,536,891	771,131	611,586
1897	.....	682,660	324,133	359,344
Fire Association, Philadelphia. 1922	1,000,000	16,491,022	4,162,208	9,180,557
1897	500,000	5,923,124	1,001,332	2,593,144
Firemen's Fd., San Francisco. 1922	3,000,000	21,871,750	4,312,901	15,289,535
1897	1,000,000	3,527,653	1,104,726	1,627,764
Firemen's, Newark, N. J.....1922	1,250,000	10,517,442	2,840,571	5,113,388
1897	600,000	2,148,969	1,245,159	326,459
Firemen's, Washington, D. C. 1922	200,000	502,558	142,937	118,909
1897	200,000	274,043	44,036	23,958
Firem. & Mechs., Indianapolis. 1922	150,000	413,254	46,535	309,544
1897	100,000	.....	.....	.....
Franklin, Philadelphia .....1922	1,000,000	6,941,741	1,546,834	2,986,585
1897	400,000	3,105,442	1,070,128	450,737
Georgia Home, Columbus, Ga. 1922	200,000	730,216	142,825	309,916
1897	300,000	1,080,513	297,956	291,456
Girard F. & M., Philadelphia. 1922	1,000,000	4,360,509	851,855	1,504,970
1897	300,000	1,982,790	644,181	466,645
Glens Falls, Glens Falls, N. Y. 1922	1,000,000	10,345,350	2,776,369	6,204,625
1897	200,000	2,888,596	1,702,660	878,170
Globe, Pittsburgh, Pa.....1922	300,000	1,367,520	306,344	577,968
1897	200,000	509,178	122,530	194,615
Granite St., Portsmouth, N. H. 1922	200,000	1,950,742	472,334	1,001,415
1897	200,000	436,529	41,548	322,905
Great American, New York....1922	10,000,000	42,806,008	12,213,010	18,126,645
1897	1,000,000	7,070,423	3,007,008	2,634,101
Hamilton, New York .....1922	200,000	2,155,509	737,136	1,105,947
1897	150,000	306,009	77,742	100,091
Hanover, New York .....1922	1,000,000	6,889,165	1,036,817	3,935,474
1897	1,000,000	2,595,802	289,134	1,514,870
Hartford, Hartford, Conn....1922	4,000,000	56,171,085	13,259,311	40,358,300
1897	1,250,000	10,004,697	3,264,392	5,790,788
Home, New York .....1922	12,000,000	75,931,551	20,964,168	42,134,513
1897	3,000,000	10,362,224	2,346,269	4,708,307
Illinois, Peoria, Ill.....1922	200,000	448,230	112,631	108,299
1897	200,000	424,603	99,858	108,591
Ins. Co. of N. A., Philadel., Pa. 1922	5,000,000	42,350,821	12,532,553	23,559,281
1897	3,000,000	9,868,808	2,319,774	5,553,508
Ins. Co., St. of Pa., Phila., Pa. 1922	1,000,000	5,038,143	642,190	2,542,543
1897	200,000	767,101	110,031	302,025
Liver. & Lon. & Gl., Liverpool. 1922	.....	19,350,754	5,666,720	10,804,787
1897	.....	9,339,545	4,092,460	5,370,687
London Assur., London.....1922	.....	7,104,741	2,492,886	3,763,316
1897	.....	1,700,319	841,185	916,749
London & Lanc., Liverpool...1922	.....	7,702,369	3,415,303	3,468,995
1897	.....	2,726,613	1,022,262	1,750,496
Lumbermen's, Philadelphia ..1922	250,000	2,210,258	1,243,044	343,857
1897	250,000	1,148,946	501,037	173,716
Mech. & Trd., New Orleans, La. 1922	300,000	2,671,645	1,156,771	1,080,549
1897	317,500	509,170	4,431	262,350
Mechanics, Philadelphia ....1922	600,000	3,135,240	789,026	1,092,783
1897	250,000	895,285	239,674	1,228,536
Mercantile, New York.....1922	1,000,000	4,048,353	1,096,653	1,810,499
1897	200,000	.....	.....	.....
Mich. F. & M., Detroit, Mich. 1922	400,000	2,377,909	509,384	1,229,186
1897	400,000	810,808	170,326	280,751
Millers Natl., Chicago .....1922	500,000	4,074,684	1,993,789	1,628,740
1897	.....	1,582,621	391,261	279,329
Milwaukee Mech., Milwaukee. 1922	1,250,000	7,945,056	1,857,106	3,735,972
1897	200,000	2,400,367	1,253,726	960,012
National, Hartford, Conn.....1922	2,000,000	28,224,420	6,844,481	15,577,791
1897	1,000,000	4,120,260	1,037,580	2,254,241
National Liberty, New York..1922	1,000,000	12,158,078	3,020,665	6,108,344
1897	1,000,000	3,944,751	1,532,626	1,094,131
Newark Fire, Newark, N. J...1922	500,000	4,237,718	1,020,346	2,547,344
1897	250,000	616,874	268,768	156,109
New Brunswick, New B., N. J. 1922	500,000	1,753,719	173,250	448,793
1897	50,000	126,338	73,758	3,154
New Hamp., Manchester, N. H. 1922	2,000,000	10,944,349	3,039,205	4,502,332
1897	900,000	2,581,210	624,347	1,056,895
Niagara, New York .....1922	2,000,000	15,227,727	3,718,495	9,066,160
1897	500,000	2,466,096	478,165	1,563,721
North British, London .....1922	.....	12,417,353	4,265,096	6,943,294
1897	.....	4,067,361	1,893,287	2,345,618
N. Caro. Home, Raleigh, N. C. 1922	400,000	1,113,780	386,768	310,677
1897	.....	152,345	.....	.....
Northern, London, Eng.....1922	.....	9,610,940	3,277,378	5,523,401
1897	.....	2,009,172	845,529	1,136,018
North River, New York.....1922	2,000,000	9,904,303	2,014,797	5,865,944
1897	350,000	742,028	201,862	254,636
N. W. Natl., Milwaukee, Wis. 1922	1,000,000	10,452,176	2,399,916	4,047,377
1897	600,000	2,103,058	592,708	778,029
Norwich Union, Norwich, Eng. 1922	.....	5,810,554	1,669,260	3,976,123
1897	.....	2,229,998	873,542	1,512,745
Ohio Farmers, Le Roy, O.....1922	.....	5,106,708	1,195,520	2,939,558
1897	.....	1,042,487	110,178	531,181
Orient, Hartford, Conn.....1922	1,000,000	5,678,748	1,505,434	2,401,129
1897	500,000	2,278,730	863,165	1,337,055
Pacific, New York .....1922	400,000	2,941,552	802,752	1,819,069
1897	200,000	773,794	228,844	373,070
Palatine, London, Eng.....1922	.....	4,997,637	1,556,805	2,927,882
1897	.....	2,851,545	929,426	2,247,450
Pennsylvania, Philadelphia ..1922	750,000	10,474,555	2,922,968	4,880,433
1897	400,000	4,759,025	1,966,450	1,715,193
Petersburg, Petersburg, Va...1922	200,000	606,387	234,795	158,329
1897	200,000	1,261,461	146,198	42,982
Phoenix, London, Eng.....1922	.....	6,777,755	2,532,775	4,155,900
1897	.....	2,855,219	979,049	2,032,645
Phoenix, Hartford, Conn.....1922	3,000,000	24,014,028	9,424,686	9,825,108
1897	2,000,000	5,377,817	720,836	2,952,792
Pilot Fire, Greensboro, N. C. 1922	175,000	471,477	59,882	228,601
1897	100,000	.....	.....	.....
Pittsburgh, Pittsburgh, Pa...1922	200,000	706,041	85,399	548,529
1897	100,000	283,639	162,756	15,368
Potomac, Washington, D. C....1922	200,000	945,022	270,787	539

Company and Location	Capital	Assets	Net Surplus	Premium Income
Union, Buffalo .....1922	200,000	627,606	205,993	245,207
1897	100,000	206,069	59,105	26,893
United American, Pittsburgh.1922	200,000	981,730	196,924	470,134
1897	100,000	215,317	75,738	41,492
Unit Fireman's, Philadelphia.1922	400,000	2,130,903	471,218	630,445
1897	300,000	1,426,021	202,569	269,569
U. S. Fire, New York.....1922	1,400,000	13,227,788	3,058,236	7,768,937
1897	250,000	677,553	154,058	293,520
Utah Home, Salt Lake Cy., Ut.1922	400,000	1,986,609	920,504	347,029
1897	250,000	284,973	4,029	53,587
Va. F. & M., Richmond, Va...1922	500,000	2,895,279	988,688	1,139,816
1897	250,000	703,444	125,943	347,629
Westchester, New York .....1922	1,000,000	10,590,927	1,795,450	7,397,201
1897	300,000	2,241,054	703,389	1,276,062
Western Assur., Toronto ....1922	.....	4,835,545	1,599,555	1,890,868
1897	.....	1,636,689	547,731	1,724,403
Wheel. Fire, Wheeling, W. Va.1922	200,000	640,540	173,693	203,726
1897	100,000	233,518	73,664	60,018

## Progress Made by Casualty and Surety Companies in 25 Years

THE table herewith gives the figures of casualty and surety companies that have been continuously on a stock, old-line basis for 25 years. There are some companies that within the last 25 years have become stock companies, changing from mutuals, that have taken their place among the leaders. However, this table presents only those that have been continuously on a stock basis for 25 years. The list is:

Company and Location	Capital	Assets	Net Surplus	Premium Income
Aetna Life, Hartford .....1922	\$5,000,000	\$191,718,046	\$17,279,522	\$24,066,663
1897	1,750,000	45,577,272	6,711,502	448,479
Amer. Credit Ind., St. Louis...1922	350,000	3,011,951	665,539	1,755,196
1897	200,000	390,052	67,904	206,451
American Surety, New York...1922	5,000,000	14,903,966	1,743,212	6,927,039
1897	2,500,000	5,272,804	1,693,607	1,169,777
Continental Cas., Chicago.....1922	1,000,000	8,811,230	1,000,000	9,727,150
1897	100,000	.....	60,000	.....
Employers Liability, London...1922	.....	30,202,022	5,503,118	22,308,469
1897	.....	1,119,797	388,189	1,043,183
Fidelity & Cas., New York....1922	2,000,000	26,072,177	4,988,477	17,548,162
1897	250,000	2,474,673	329,444	2,652,053
Fidelity & Dep., Baltimore....1922	3,000,000	13,192,008	2,415,827	8,025,176
1897	750,000	1,706,826	596,127	666,414
Guar. Co. of N. A., Montreal...1922	.....	1,183,491	997,059	225,009
1897	304,600	880,926	358,783	198,140
Hartf. St'm Boiler, Hartford...1922	2,000,000	9,633,088	2,420,013	2,999,104
1897	500,000	2,119,097	316,354	848,980
Lloyds Plate Glass, New York.1922	250,000	1,738,064	555,134	1,145,719
1897	250,000	662,318	197,596	387,460
London Guar. & Acci., London.1922	.....	17,465,764	1,680,145	13,839,106
1897	.....	808,158	305,549	615,700
Metropolitan Cas., New York...1922	200,000	1,322,136	232,550	1,277,700
1897	100,000	452,468	218,876	261,642
National Surety, New York...1922	5,000,000	25,034,409	5,763,247	13,365,648
1897	350,000	535,901	60,009	199,507
New Jersey Fidelity & P. G., Newark, N. J.....1922	500,000	2,604,434	398,191	2,079,382
1897	100,000	158,574	19,293	69,352
New York P. G., New York...1922	150,000	1,573,822	403,475	1,400,365
1897	100,000	311,823	194,809	202,013
Ocean Acci. & Guar., England.1922	.....	19,244,843	1,373,151	14,189,164
1897	.....	267,772	239,402	60,288
Pacific Mutual, Los Angeles...1922	1,500,000	65,199,251	1,715,769	3,809,802
1897	100,000	3,083,952	253,127	272,611
Preferred Acci., New York...1922	700,000	7,510,147	1,000,000	4,864,307
1897	100,000	459,877	119,657	812,099
Standard Accident, Detroit...1922	1,500,000	14,231,086	1,524,771	9,424,043
1897	200,000	818,796	64,501	971,725
Travelers, Hartford .....1922	7,500,000	219,005,682	10,188,905	40,074,585
1897	1,000,000	3,362,128	459,011	2,820,917
U. S. Casualty, New York.....1922	500,000	7,362,094	1,010,037	6,246,210
1897	300,000	640,725	33,104	576,345
U. S. Fid. & Guar., Baltimore...1922	4,500,000	33,572,450	5,234,142	26,310,413
1897	261,200	281,421	7,115	3,030
U. S. Guarantee, New York...1922	250,000	1,823,732	836,317	291,336
1897	250,000	425,104	85,798	119,678
U. S. Plate Glass, Phila.....1922	100,000	209,282	60,412	86,110
1897	100,000	16,718	42,138	21,328

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# The Commissioners' Convention

By THOMAS B. DONALDSON

THE National Convention of Insurance Commissioners was organized in 1871 and the first meeting was held in New York City. The annual convention of 1922 will be held Sept. 5-8 at Swampscott, near Boston, Mass. This convention is the most dominantly powerful conclave of insurance officials in the United States, in that it is strongly centralized and controls the operations of domestic companies and of companies of other countries while doing business in America.

The convention does most of its work through standing committees. The officers are president, first and second vice-presidents and secretary-treasurer. The executive committee consists of seven members. There are 22 standing committees which are often supplemented in their activities by sub-committees and special committees. The most important committees are the committee on blanks, which requires uniformity so far as it is possible to achieve it with respect to the annual statements from all companies; a committee on examinations, the chairman of which is the secretary of the convention, and which committee delegates certain states to examine the companies in America; the fire insurance committee, the laws and legislation committee, and the valuation of securities committee.

IN view of the fact that the commissioners and superintendents of insurance have an unusual amount of work to do in their own states, it is rather astonishing to see the real and intensive work done by the commissioners throughout the year in connection with the National Convention.

Customarily, a spring convention is held and also a mid-winter convention, which are the working sessions. The annual convention is usually more or less educational in nature. The members contribute papers, some of which are remarkable in their scope. One of the most notable contributions was the paper by Insurance Commissioner C. W. Hobbs of Massachusetts on the subject, "The Investment Laws Relating to Insurance Companies," delivered at the 1921 annual convention.

The convention publishes a year book which contains a reprint of each paper contributed by the members, a reprint of the reports of all committees and stenographic notes of discussions on papers and arguments pro and con.

THE need of uniformity in every state in America in the matter of examination of companies, annual statements, legislation, taxation, underwriting rules and practices, licensing of agents and brokers, has always been pronounced, and the convention's chief activity is to obtain uniformity. The tremendous size of this country, the presence of 48 different states, and the fact that insurance departments are usually limited to very scant appropriations have prevented greater achievement by individual departments and correspondingly prevented great activity by the National Convention.

The fact that insurance is so

highly technical and requires widespread study and constant application serves rather to divorce it from the understanding and sympathy of the general public. Particularly in legislative matters it is difficult for brokers and agents and the home office and for departments to induce legislatures to enact into laws proposed bills which are of constructive worth. There is always more or less outcry against insurance lobbies. It has not been the experience of the convention that lobbies exist or that there is any organization of all insurance interests, or that in present-day development any home office or any group of agents or brokers has endeavored to take advantage of the public.

rates but was selected as the only national organization of fire insurance companies) came to an agreement with the convention on the question of "What Constitutes a Reasonable Underwriting Profit and the Method of Determining the Same?"

THE Convention now has before it consideration of the so-called model bill, now a law in the District of Columbia and designed to aid the American merchant marine. The sub-committee of the House of Representatives committee on merchant marine and fisheries urged the Convention to ask the adoption of the same bill or a similar bill in all states. The leading mar-



Thomas B. Donaldson is insurance commissioner of Pennsylvania and is now at the head of the National Convention of Insurance Commissioners, the activities of which he reviews in this article. Mr. Donaldson has made a notable record since becoming the head of the Pennsylvania department, having been at the forefront in all progressive movements and instituting a number of valuable departures in procedure in that state. He is a vigorous and entertaining speaker and has been in great demand at insurance gatherings of both agents and company officials since he has been in office, invariably making good in that capacity as well as in his official duties at the Pennsylvania capitol. He is recognized as one of the strong men in the commissioners' organization and has helped materially to make it the effective force it is in the United States.

THE Convention has done some notable things, usually after a bitter struggle with those who feared the hand of oppression might militate against the business; whereas they discovered in the course of a year or two that the more rigorous the restrictions, the more healthful the business of insurance.

For instance, some years ago the surety companies were in fierce competition. They were cutting rates and heedlessly underwriting. The commissioners insisted upon immediate action to prevent insolvency, and the result was the establishment of a bureau and adherence to bureau rates by the companies which now survive. The convention also effected a radical change in the health and accident business when certain disclosures plainly showed that the public was being imposed upon by some shortsighted individuals conducting the health and accident business. The fraternal question was coped with in spite of strong opposition. The Mobile Bill was the first drastic piece of legislation regarding fraternal, their operation and their rates.

In 1921 the Convention, in conference with the National Board of Fire Underwriters (which has no supervision of

marine writing companies of America are deeply interested in the bill. The novel features of the bill are (1) taxation upon net profits rather than gross premiums, which would apparently make a difference of 5 percent in rates and permit the American insurers to compete with foreigners, and (2) the multiple line principle of permitting one company to write all kinds of coverage. The bill limits underwriting to what is known as marine insurance or transportation insurance, and would not in any way interfere with coverage on the ordinary factory or dwelling, or upon automobiles when under their own motive power.

THE Convention originated the plan of having the valuation committee supervise the preparation of the volume showing the market values of domestic and foreign securities (both listed and unlisted).

The Convention accomplishes a great deal of work with a remarkably small income and disbursement. Modest contributions are made by some of the departments. The total contributions of 1921 were about \$2,800. In addition to that amount for maintenance of the Convention, the contributions by the

states for printing of the volume on valuations amounted to about \$9,000.

I HAVE been a member of the Convention only since March, 1919, but in previous years had some contact with the individual members. It is impossible for me to pay fitting tribute to some of the patriarchs of the Convention who have shown us, the younger men, the paths out of the wilderness of confusion which existed twenty-five years ago in insurance activities in America. The younger men of the Convention have, after all, an easy task because the pioneer work was done by the vigorous fighters of early days. When one considers the small salary paid to the majority of insurance commissioners, and when one realizes, as I have had opportunity to realize, the sincerity and high character of the individual members of the Convention, it is patent to me that no organization in the United States, composed of public officials, ever served the public so honestly, efficiently and zealously as the public has been served by the patriarchs of the Convention.

## Your Silver Anniversary

Not by wealth can respect and confidence of men be bought.

At all times such laurels must by service come.

Today we grasp your hand with friendship fraught

In token of your silver spurs well won. Onward through the years your colors stood.

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Amongst us all who seek for good. Lasting knowledge of the underwriting situation.

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Depicted at least once a week, and also inspired

Editorials that we might think as brothers.

Rejoice that during all these years, Wrought by work of pen well done,

"Results" because you knew no fears, Inseparable truth—has your honors spun

To enlighten with true knowledge. Ever shall all things come to pass.

Right will prevail. To write is thus your class.

—JAMES M. NEWBURGER.

Chicago, Ill., Aug. 1.

## Ohio Premiums in 1896

Here are the premiums of the leading companies in Ohio in 1896 as given in the first edition of The Ohio Underwriter: Aetna, \$134,569; Connecticut, \$106,528; Continental, \$101,580; German of Freeport, \$107,498; Hartford, \$301,543; Home of New York, \$271,509; Milwaukee Mechanics, \$130,729; National of Hartford, \$162,850; Phoenix of Connecticut, \$220,919; Scottish Union & National, \$137,510; Ohio Farmers, \$465,209; Phenix of New York, \$156,524; Fire Association, \$146,800; German-American, \$112,894; North America, \$218,957; Royal, \$296,717; North British, \$100,210; Liverpool & London & Globe, \$156,654.

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*Incorporated 1844*

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Our Company has always enjoyed the best of management; its SEVENTY-EIGHT YEARS of existence have been devoted to erecting a solid structure of reputation founded upon the worthiest elements of business character; its product—which is Service and Protection—is of the highest grade known to the insurance world; but

without the men and women who form the connecting links between the Home Office and the Insuring Public, all else would be without avail.

IN EIGHT AND ONE-HALF YEARS, JANUARY 1, 1914—JUNE 30, 1922, THIS COMPANY HAS MORE THAN DOUBLED ITS VOLUME OF BUSINESS IN FORCE.

Its growth in all other avenues of progress has been in the same proportion.

Its policy of management has been progressive in all matters of benefit or value to policyholders, beneficiaries and agency force.

B. H. WRIGHT, President

STEPHEN IRELAND, Superintendent of Agencies

D. W. CARTER, Secretary

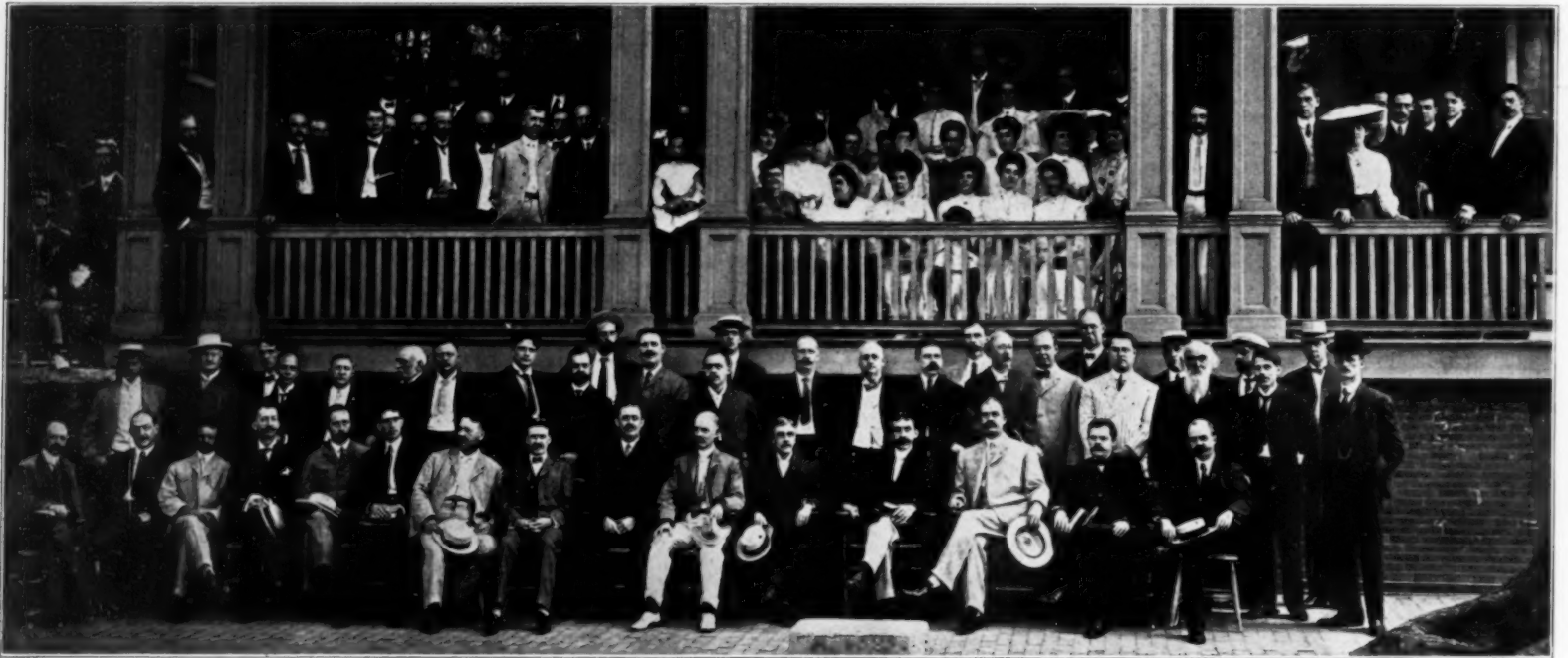
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Insurance in Force Over	.	.	.	40,000,000.00



## GROUP OF OLD ASSOCIATION OF ACCIDENT UNDERWRITERS



This is a photograph of the members of the old International Association of Accident Underwriters taken in front of the Lafayette Hotel at Portland, Me. H. G. B. Alexander, president of the Continental Casualty, the first man sitting at the right has not changed greatly in appearance. The debonair gentleman in the light suit holding his hat is none other than Alfred E. Forrest, vice-president of the North American Accident. Sitting next to Mr. Forrest is "Uncle Edson" S. Lott, president of the United States Casualty, with large mustachios and jet black hair.

Next to Mr. Lott is Walter C. Faxon of the Aetna Life. In the front row can be found W. H. Jones, H. D. Meininger, "Preferred" Potter and others. Some of the tall men in the business were present at this meeting. There is Charles H. Bunker, president of the Metropolitan Casualty of Chicago, standing by one pillar and his right hand man, "Double A" Smith, with his hat on standing by the other pillar. Near Mr. Smith is A. Duncan Reid, now president of the Globe Indemnity. Louis H. Fibel, president of the Great Eastern Casualty stands by a pillar, the

best dressed man of the convention. Franklin J. Moore is prominent in the picture, so is John M. Boggs of the old Central Accident. The man on the extreme right in the derby hat is not Charles Chaplin, but is none other than Ben F. Hadley, now secretary for the Equitable Life of Iowa, who at that time was with the "Eastern Underwriter." Standing next to Hadley is George A. Watson, now eastern vice-president of The National Underwriter. Next to Mr. Watson, looking like a patriarch is the venerable George Leonard McNeil of the Massachusetts Acci-

dent of Boston. Way over at the extreme left, standing by the man sitting on the chair at the left of the pillar is W. G. Curtis, president of the National Casualty and peering between the pillars near by is Secretary Franklin S. Dewey of the same company. This seems to have been something of an insurance newspaper convention. Standing in the balcony are Charles E. Belcher of the "Standard," Franklin Webster of the "Insurance Press," Max Cohen of "Views," and F. C. Oviatt of the old "Philadelphia Intelligencer."

## Notable List of Field Men in West Twenty-Five Years Ago

**T**HERE were some interesting, picturesque and able fire insurance field men in the ranks in 1897, 25 years ago, in the western territory. The roll call would bring forward names of men who are familiar to underwriters. Some of them have passed on, others are still in the ranks. W. S. Abbott at that time was Michigan state agent of the North British. W. L. Althouse was special agent of the Manchester in Michigan. D. W. Andrews was special agent of the Sun in Missouri. George A. Armstrong of Detroit was special agent of the Hartford. George A. Bailey was Kansas state agent of the Phenix of Brooklyn; J. W. Bailey was Kansas special agent of the company. Thomas Baker, Jr., was special agent of the Queen in North Dakota. George H. Bell was Ohio state agent of the North British. H. F. Benedict was Nebraska state agent of the Western and British America. H. O. Benedict was special agent of the Phenix in Ohio. R. M. Bennett traveled out of Springfield, Ill., as special agent of the Aetna. James G. S. Best of Chicago was special agent of the Agricultural. Waite Bliven of Chicago

was special agent of the American of Philadelphia. L. J. Bonar of Mansfield, O., the "grand old man" of Ohio, was state agent of the North America. Herbert E. Boning was Ohio special agent of Delaware and Reliance. F. W. Bowers of St. Louis was special agent of the Orient. Nelson E. Briggs of Chicago was special agent of the North British. Fred S. Brooks of Detroit was special agent of the Niagara. F. H. Burke of Batavia, Ill., was special agent of the Fire Association.

**E.** G. Carlisle of Chicago was special agent of the Springfield and his brother, Henry W. Carlisle, was special agent of the Continental. J. D. Carpenter of Des Moines was state agent of the Western Underwriters. R. B. Carson of Chicago was special agent of the Commercial Union. W. O. Chamberlain of Minneapolis was state agent of the Niagara. W. A. Chapman of Milwaukee was special agent of Connecticut. A. A. Clark of Des Moines, was special agent of the Phenix of Brooklyn. W. H. Clemons of Cincinnati was special agent of the Phenix. George R. Cros-

ley, Fort Madison, Ia., was special agent of the Lancashire. Francis Dana of Chicago was special agent of the Lancashire. Lewis F. Daniel of Minneapolis was special agent of the Northern of England. William C. Daniel of Columbus was special agent of the Northern Assurance. T. R. Daniel of Minneapolis was state agent of the North British.

**J.** OHN E. DAVIES of Racine, Wis., was state agent of the Aetna. Carroll L. DeWitt of Indianapolis was special agent of the Glens Falls. J. F. Edmonds of Deadwood, S. D., was special agent of the Commercial Union. C. P. Englemann of Chicago was state agent of the Sun. J. B. Faatz of Des Moines was special agent of the Delaware and Reliance. J. D. Fleming was Missouri state agent of the Connecticut, a place that he still fills. C. W. Fort of Kansas City was state agent of the Home. Henry Fowler of Columbus, O., was state agent of the Home. John H. Gray of Chicago was special agent of the North British. Robert E. Gooch of Columbus, O., was special agent of the Liverpool. Otto E. Greely of Minneapolis was adjuster of the Phenix. R. D. Harvey of Chicago was special agent of the New Hampshire. Charles W. Higley of Minneapolis was special agent of the New York Underwriters. L. E.

Hildreth of Chicago was special agent of the Hartford. Fred A. Hubbard of Chicago was special agent of the Hanover. J. W. Hubble of Chicago was special agent of the Farmers of York. John P. Hubble of Chicago was special agent of the Greenwich. R. H. Hunter of Indianapolis was special agent of the Commercial Union.

**J.** OHN C. INGRAM of Indianapolis was special agent of the German-American. Nelson B. Jones of Lansing, Mich., was special agent of the American of Philadelphia. H. N. Kelsey of Chicago was special agent of the Norwich Union. Preston T. Kelsey of Indianapolis was special agent of the Liverpool. O. C. Kemp of Chicago was supervising general agent of the Rochester German. J. H. Lenehan of Chicago was special agent of the Palatine. J. K. Livingston of Jackson, Mich., was special agent of the Queen. H. R. Loudon of St. Louis was special agent of the Liverpool. W. S. Loudon of Des Moines was state agent of the Liverpool. George M. Lovejoy of Chicago was supervising general agent of the Magdeburg. A. J. Love of Omaha was special agent of the Glens Falls. Fred B. Luce of Chicago was special agent of the Palatine. Charles H. Luce of Lansing, Mich., was special agent of the Palatine. Frank A. Mannen of Min-

neapolis was special agent of the Fireman's Fund. W. E. Mariner of Chicago was special agent of the American of New Jersey. John Marshall, Jr., of Chicago was special agent of the Royal Exchange. C. G. Meeker of Sycamore, Ill., was state agent of the Concordia. Frank A. Meinel of Chicago was special agent of the London & Lancashire. A. R. Monroe of Indianapolis was special agent of the Connecticut. George C. Mott traveled out of Chicago as state agent of the St. Paul. A. M. Nelson of Chicago was special agent of the Niagara Fire.

J. W. O'Brien was special agent of the Phenix of Brooklyn in Michigan. R. S. Odell of Chicago was special agent of the Connecticut. A. C. Olds of Kansas City was special agent of the Phenix. W. E. Page of Milwaukee was special agent of the German American. H. O. Phillips of Chicago was special agent of the State of Pennsylvania. Fred W. Ransom of Grinnell, Ia., was special agent of the Providence-Washington. M. H. N. Raymond was Michigan state agent of the Connecticut. R. L. Reynolds of Omaha was state agent of the Connecticut. D. W. Redfield of Chicago was special agent of the Pennsylvania. J. Irving Riddle of Terre Haute, Ind., was state agent of the Phenix. J. W. Robertson of Chicago was special agent of the London & Lancashire. A. G. Sanderson of Columbus, O., was special agent of the Lancashire.

J. P. SINGLETON of Louisville was state agent of the Niagara. John F. Stafford of Des Moines was special agent of the Scottish Union. W. R. Townley of St. Louis was special agent of the Western and British America. S. W. Tripp of Chicago was special agent of the Saginaw Valley Fire & Marine. W. E. Vandever of Chicago was special agent of the Phoenix of England. M. W. Van Valkenburg of Topeka was special agent of the Liverpool & London & Globe. M. P. Vore of Chicago was special agent of the Manchester. B. L. West of Chicago was special agent of the North America. H. H. Whitlock of Chicago was special agent of the Delaware and Reliance. Fred W. Williams of Jackson, Mich., was special agent of the Aachen & Munich. George G. Williams of Minneapolis was special agent of the Commercial Union. Walter D. Williams of Minneapolis was special agent of the Spring Garden. W. E. Witherbee of Chicago was special agent of the Scottish Union. H. N. Wood of Omaha was resident secretary of the North British. Cyrus Woodbury of Columbus, O., was special agent of the Ohio Insurance Company. James Wyper of Chicago was special agent of the Union of England.

Attention was called in the first issue of the Ohio Underwriter to the statement of Richard F. Loper of the old Guarantors of Philadelphia that the Travelers would probably discontinue its liability business. What was the result? The Guarantors soon died and the Travelers has grown into a massive institution. It has given up no line but has added more. There were many predictions in those days that went wrong.

## Safety and Security

When safety and security are uppermost in the management of an insurance company, then every agent of that company can freely assure every prospective buyer of insurance that his company is as safe as careful and painstaking financing can make it.

But when a company of this type gives its agents in addition that hearty degree of co-operation to which they are entitled, then the company representation becomes an asset of inestimable value. This is the secure position enjoyed by the Great Northern Life's field force.

## Great Northern Life Insurance Co.

CHICAGO

ILLINOIS

H. G. ROYER  
President

JNO. A. SULLIVAN  
Vice-President

C. O. PAULEY  
Secretary



# How the Field Man Has Changed

WHO is there in the fire insurance business that has changed more during the last 25 years than the special agent? A manager's duties have altered somewhat since 1897, but nothing to compare with the change that has taken place so far as the state or special agent is concerned. An examiner or home office employee is doing his work in very much the same way that it was carried on many years ago. With the average employee of a fire insurance company there has been a gradual change, of course, a natural evolution, but when we think of the field man of 25 years ago and the special agent of today there is hardly a basis for comparison. The change has been great and marked. The field man's work has been so revised and diverted into so many new channels, that a field position today calls for an entirely different type of man than would have been selected 20 or 25 years ago.

CONSIDER for just a few moments the kind of men who, in the old days, had the title of state or special agent (and it was more frequently "state agent and adjuster") and just what their duties were. In the first place, the field man of 25 years ago was a rate maker. His state board had entire charge of all rating matters in the state. Rates and surveys were made by groups of field men who took care of this work from time to time in connection with their other field duties. At a meeting of the state board, it would be decided that Jonesville, for instance, needed rerating. Accordingly, a committee would be appointed to handle the work, would visit the town and rate every risk. Perhaps the rating methods of those days were not particularly scientific, but the rates promulgated had to stand as issued. Individually and collectively, field men in any given state were powerful and vested with a great deal of authority. If a "rate war" broke out (a thing unknown today) the companies looked to their field men on the ground to handle the situation without home office suggestions.

IN the days when "state agent and adjuster" was the usual title, it was necessary for the field man to be an adjuster, and a good one. The title "adjuster" stood for something. It meant that the state agent of those times adjusted practically all of the losses sustained by his company in his territory, and certainly all of the important ones. Field men at that time had to know the technical side of loss adjustment work. They were nearly every day called upon to adjust a claim of some sort, and had to know a great deal about values of all kinds, general business conditions, and business procedure in various industries. In short, they had to be equipped to adjust a loss of any size on a moment's notice, and to adjust it to the entire satisfaction of their companies.

More, 25 years ago a field man, was usually given authority by his com-

pany that is hardly enjoyed by any state or special agent of today. "There were giants in those days." I suppose that everyone writing an article for the Anniversary Number of THE NATIONAL UNDERWRITER will use that phrase in connection with his comment upon the old days, but it certainly applies to the field man of a quarter of a century ago. The man in charge of a state was in charge. He was expected by his home office to give authorizations of the proper proportions to agents, and once an authorization was given the company would stand back of the field man to the limit. Business methods were slower and more cumbersome some years ago, and the home office seemed more remote from the field. The company looked to the field man to handle the business in his state. It expected him to make the right kind of appointments, to give conservative and safe authorizations, and to operate the company in his state in such a manner as to produce a profit. A company in this way really

field man, because the writing of business has become so standardized.

THIS does not necessarily mean that the field man of today has been reduced to a hand shaker, or jollier, or tourist. It does mean, though, that conditions in the insurance business have so changed that the field man's duties have quite naturally changed with them. The supervision of a company's activities in any field has, in most respects, been shifted from the field man to the home or department office. It is still up to the field man to see that things are running smoothly and properly, but it is no longer necessary or possible for a field man to do very much for a local agent in the way of rates, or adjustments, or unusual forms, or special authorizations, or anything of that kind. The whole complexion of the business has changed, and, in changing, has altered the characteristics and duties of a field man more than any other person in the business.

*This discussion of the field man of 25 years ago and the field man of 1922 was written by the western manager of one of the important fire companies. He has been in fire insurance work for over 35 years. He traveled in the field in various sections of the middle west for a great many years. He knows field conditions. He has selected his own field man with great care. During his field days he was regarded as one of the stalwarts of his state. His observations upon the field man of a quarter of a century ago will be read by many with a great deal of interest. None the less illuminating is his discussion of the characteristics, personality and makeup of the field man of today.*

made a little home office out of every special agent's headquarters in every state. This method of doing business produced strong men. It developed initiative and resourcefulness. It made field men positive and certain in their judgment. It gave them assurance. They had nothing to lean on. They became sufficient unto themselves, because they could not look to the home office for help. The home office took the position that the field man knew more about his own field than anyone in the home office, and it was, therefore, useless to turn to the home office for assistance or advice.

NOW let us see what has happened since 1897. Today we have rating bureaus, adjusting bureaus, audit bureaus, factory associations, improved risk associations, grain and oil associations, sprinklered risk departments, automobile departments, hail departments, uniform forms and all the rest of it. We have a centralization of authority that would not have been regarded as possible 25 years ago. The field man has been shorn of most of his power, and has become an entirely different sort of individual. The rating work is out of his hands entirely. He adjusts very few losses today, even large ones. The audit bureaus see that the business is properly written, and the big lines are handled by special departments or bureaus or associations. The local agent does not feel the same need of the advice or counsel of the

AS I see it, the field man today is fundamentally a business producer. His company is frequently planted in an agency that represents 20 or 25 other companies. All are writing business in about the same manner. There are uniform forms, and reinsurance pools, and associations, and departments for writing large lines. One company can do about as much for an agent as another. A particular company may have certain outstanding characteristics or attractions, but these may be entirely outweighed by others possessed by another company. Considering everything carefully, a local agent usually comes to the conclusion that if he has 10 or 12 good representative companies in his office, he can get about as much from one as another. Faced with this situation it is up to the individual field man to put his company on the map in an office, and to, by one means or another, get more business out of a particular office than any other company secures.

THIS means that the field man of today must have a strong personality. He must stand out from the crowd. He must be forceful or interesting enough to attract especial attention from the local agent. He must make his visits so pleasant and profitable that the local agent is glad to see him again, and willing to give him just a little more business than any of the rest of the companies in his office are getting. In very recent years we have

seen a remarkable growth of so-called fire insurance side lines. Many field men have studied and mastered the various side lines, others have not, and most local agents have given side line business only scant attention. I have seen a number of field men who have been able to make strong connections because of their knowledge of side lines. They have shown local agents big possibilities in the sale of use and occupancy, or rent, or hail, or automobile or some other special form of fire insurance. They have not only talked to local agents about the possibilities of these lines but have gone with them to their principal customers and showed them just how to sell the side lines. They have made sale demonstrations. They have given local agents the actual arguments to use. They have shown local agents where the prospects are and what to say to them.

THIS is the sort of thing that the field man of today has to do. He cannot influence, as he did in times gone by, the agent's method of conducting his business. That is, he is not providing the agent with rates, or telling him how his business must be written, or handling his loss adjustments for him, or arbitrarily passing on lines. All of this has been absorbed by the companies. The actual writing of business by the agent is, comparatively speaking, very mechanical and routine. The agent knows just about what he can do and what he cannot do. He does not have to wait for the special agent to pay him a visit. He can shift for himself. Most local agents today are overloaded with companies. Unless a field man is alert and keen, and able to show an agent how and where he can get more business, his visit is quite liable to be regarded by the agent as a waste of time.

THE present crop of successful state and special agents is as different from the men who were traveling the country and bearing the same titles 25 years ago as day is from night. The special agent of 25 years ago could not succeed today because he could not fit present-day conditions, would be absolutely unable to give the local agent the kind of service that is today demanded, and would fall by the wayside because of lack of equipment. Similarly, the field man of today would find himself out of the running if he were asked to do the work that the state or special agent of 25 years ago had to perform. Field work has changed, and changed mightily. There may perhaps be further revisions of the field man's work, but there certainly have been enough during the period from 1897 to the present time. Some regret the passing of the old-time field man. I have never felt that way. He had to go, and as conditions changed, he simply faded from the scene. I rather like the aggressive, vigorous field men of today who are scouring the country for business. They are creating a desire for various forms of

fire insurance coverage. They are carrying the gospel of fire insurance into remote quarters. They are planting the seeds of salesmanship in local agents who have been content to go along getting just about what has come to them. They are enlarging the selling possibilities of local agents all over the country. They are carrying the fire insurance business forward in a splendid manner, and are to be heartily congratulated upon the kind of work they are doing.

### Jane Newburger's Tribute

THE accompanying verses were written by Jane Newburger of Chicago, the 13-year-old daughter of James M. Newburger, the well known Chicago agent. Jane has a natural gift for writing. She is a pupil in the University High School of Chicago. She is training herself for a literary career. She has written some verses that are highly commendable. The accompanying verses, written especially for the anni-



JANE NEWBURGER  
Daughter of J. M. Newburger, Chicago

versary edition of THE NATIONAL UNDERWRITER, were dashed off at a girl's camp. The verses are printed just as they were written.

'Twas a small concern,  
The editors few.  
They were eager to learn  
And they did it, too.

Started 25 years ago  
In but a small way,  
By the hardest work  
It started to pay.

With methods the best,  
And news that was true,  
It flourished on—  
And the journal grew.

Gives insurance news  
From A to Z,  
Tells the Why and Wherefore  
To you and me.

Leading journal now  
Of the U. S. A.  
The reason's clear  
As we read it today.

To the starters praise  
And good wishes are due;  
The insurance fraternity  
Takes its hat off to you.

## THE ELMER F. BAGLEY INVESTMENT CO.

*Established in 1895*

*Capital \$100,000.00*

ELMER F. BAGLEY, President

D. H. HUTCHINSON, Secretary

**COLUMBIAN BUILDING  
TOPEKA, KANSAS**

### General Agents and Managers

In Kansas, Nebraska, Oklahoma, Colorado and Texas, representing twelve Old Line Companies with assets of over \$50,000,000.00, writing Fire, Tornado, Automobile, Hail and Life Insurance.

**Six Special Agents. Over  
Twenty-Four Hundred  
Local Agents.**

*Special proposition for Good Life Insurance producers. Notes handled. Bank connections furnished. Live leads for real  
Life Insurance Men*

## SPECIAL OPPORTUNITY For Men Seeking Connection in the Middle West

**This company has just entered several new states and  
wants General Agents and Special Representatives.**

**Guaranty Life Insurance Company**  
HOME OFFICE, DAVENPORT, IOWA

L. J. DOUGHERTY, Secy. and Gen. Mgr.



# Memories of Early Subscribers

THE first subscription ledger of the Ohio Underwriter—long before the days of card systems—brings back some interesting memories. A. J. Thorpe of Cincinnati, manager of the United States Casualty, now dead, was the first name to be entered on the subscription books of the Ohio Underwriter. By actual count there were 194 subscribers who started their subscriptions with the very first issue, Feb. 4, 1897. This was not at all bad for an unpretentious, one-state, bi-weekly paper. It was not a great while before the paper had over 1,000 subscribers in Ohio alone. Going over these names brings back memories of men and companies long since forgotten and of others that are still here.

THE first issue of The Ohio Underwriter was devoted quite largely to an attack and expose of the methods of C. B. Squire, the big mutual operator at Cleveland, who was then tearing things wide open for fire insurance in the state. It therefore struck a popular chord with Ohio agents and as most of them received sample copies of the first issue voluntary subscriptions poured in, a few even by telegraph. Cleveland has always been one of the large city strongholds of the paper and a big batch of subscriptions came in from there almost at once.

So little did the publisher know of circulation getting methods that he actually believed he could travel through the state and get a large list of subscriptions on mere description of the kind of paper he intended to get up; so before getting up any issue at all he made a little trip to some of the towns, including Hamilton, Middletown, Franklin and Dayton. The trip netted only ten or a dozen subscriptions all told and he soon saw that it was necessary to get out an issue of the paper before subscriptions in any number could be secured. Besides that, "Rough Notes," of Indianapolis, getting wind of the new venture, had sent out a mail campaign to all Ohio agents offering with a subscription a complete desk outfit, which was in itself worth considerably more than the first year's subscriptions. Agents would not think of taking more than one paper and the best that could be done was to secure the promise from these subscribers to take the new paper at the expiration of the "Rough Notes" subscription.

GOING over the names of these subscribers who were on from the first issue one of the very first was John G. Monroe, then right hand man of J. W. Cochran, manager of the Ohio Inspection Bureau, afterwards special agent of the Continental and now manager of the General Adjustment Company at Philadelphia. Then there was Benjamin Marot, for many years general agent of the St. Paul Fire & Marine at Dayton, O., whom old time field men will recall. Meuche & Hichman of Dayton, John Memmer of Akron, McGervey & LeSourd of Xenia, and S. J. Massingham of Geneva, O., are among the "Ms" whom old time Ohio insur-

ance men will recall and who took the paper from the first issue. Then there was N. B. Jones of Lansing, Mich., special agent of the American of Philadelphia; D. E. Julian of Columbus. James F. Joseph of Cincinnati, I. W. Canfield of Chardon, Wm. C. Daniel of Columbus, special agent of the Northern Assurance, a particular friend of the paper in the early days, as well as J. O. Dye of Springfield, then special agent of the Royal, now manager of the Rochester department of the Great American in New York. In those days Mr. Dye, Henry Fowler, state agent of the Home; Walter H. Sage, state agent of the Great American; Cyrus Woodbury of the Queen, L. J. Bonar of the North America and John Kelly of the Scottish Union were among the leaders of the field forces.

R. J. FOSTER, then of Cincinnati, special agent of the Connecticut Fire, afterwards of Columbus; R. E. Gooch of Columbus, special agent of the Liverpool & London & Globe and afterwards secretary of the Western Reserve of Cleveland; Edmund Gardner, special agent of the Scottish Union; John Hoover of the London & Lancashire at Dayton, Chas. J. Herbold of Cincinnati, special agent of the Buffalo German, who recently died after many years of service as general agent at the home office; H. Beverly Hart of Cincinnati, special agent of the British America and Western; Chas. F. Knecht, independent adjuster at Dayton; Chas. D. Kidd of Dayton, T. C. & A. W. Parsons, then local and general agents at Cleveland; Neal C. Rowland, secretary of the local underwriters' club at Columbus and now special agent of the Michigan Fire & Marine in New York State; Thomas H. Smith of Dayton, state agent for the German of Freeport; A. G. Sanderson of Columbus, special agent of the Aetna, later special agent of the Continental, in Ohio, and after that general agent of the Aetna for the Pacific Coast; A. M. L. Wasson of Cincinnati; John W. Wetzel of Dayton, special agent of the Pennsylvania Fire; George M. Winwood of Springfield, state agent of the Phoenix of Hartford, and Harry J. Shreffler, special agent of the Hartford at Akron, are all among those field men who took the paper from its first issue.

TO go back to some of the local agents whose names are well known and who endorsed the idea of an Ohio paper for Ohio agents by taking it from the very first might be mentioned Whittlesey Adams of Warren, O.; Arnold Brothers of Massillon, W. L. Alexander of Canton, Bancroft & McElroy of Columbus, John F. Deatrick & Son of Defiance, R. B. Edson & Son of Middletown, Sidney Eckley of Dayton, John A. Falk of Sandusky, Francis and F. S. Ferry of Cincinnati, C. A. Farnham & Co. of Cincinnati, T. H. Geer & Co. of Cleveland, Greenamyre & Son of Latonia, Adam Gray & Co. of Cincinnati, King & Reed of Cleveland, Kennett, Heckle & Co. of Cincinnati, C. A. Leech of Urichsville,

Laws Insurance Agency of Cincinnati, Packer & Clark, general agents of the Employers Liability at Cleveland; LeRoy Parsons of Mansfield, Robinson & Welty of Canton, Fred Rauh & Co. of Cincinnati, E. F. Sawyer of Marysville, Frank Tallmadge of Columbus, Fred P. Thomas & Co. of Cleveland, Waddell & Knapp of Marion. These were all good names whose endorsement and patronage of the infant enterprise augured well for its success.

The name of Robinson & Welty brings back particular memories because later George H. Robinson of this firm became the first traveling representative of The Ohio Underwriter and afterwards the successful vice-president of the "Insurance Field" in New York. Mr. Robinson was one of the graduates of THE NATIONAL UNDERWRITER school of whom his old associates were particularly proud.

IN going over the names of these early subscribers much of reminiscence and history comes to mind. There was Henry Bohl of Columbus, still hale and hearty, then engaged in developing the Prudential's large interests in the central west. He secured the Prudential's advertisement for the young paper at the annual banquet of the company. When sitting opposite President Dryden, the late senator, he leaned over and told President Dryden that he wanted just one thing that evening, and that was the Prudential's advertisement for his friend out in Ohio.

As E. Jay Wohlgenuth, founder of the old Ohio Underwriter, had started insurance journalism as a boy with the "Indicator" in Detroit and knew the Michigan insurance men well, it was natural that The Ohio Underwriter should take on Michigan as soon as Ohio was covered. Naturally, too, the old Detroit and Michigan agents whom he had known were among the first to take the paper. One of these early friends was Joseph Belanger, a well known agent who was honored the other day by the Continental for 25 years of service. S. F. Angus, general manager of the Home Life and one time president of the old Imperial Life of Detroit; J. Benson, resident manager in Detroit for the Fidelity & Casualty; A. Bunclark of the Continental Assurance of Detroit, now the Continental Casualty of Chicago, but at time managed by Myron C. Long; E. F. Chapman, for many years manager of the Michigan Inspection Bureau; H. F. Cornell of Kalamazoo, later of Detroit, general agent of the German of Freeport; G. W. Chandler of Detroit, general agent of the Employers Liability; J. J. L. England of Detroit, state agent of the Northern Assurance; W. Fred McBain, secretary of the old Grand Rapids Fire; Jacob Guthard & Son of Detroit, James A. Jones, A. G. Lindsay, Parker & Millen, which is now the W. A. Eldridge agency at Detroit; Chas. F. Peltier, T. J. Reilly of Detroit, were some of the Detroit and Michigan men who took the paper from the start.

IT was really surprising how quickly subscriptions came in after the paper was once fairly started. Mr. Wohlgenuth was in Mansfield, O., one day and put on four annual advertisements and 12 new subscriptions in a single day, going to Akron that night and the next day, Saturday, putting on 24 new subscriptions before 2 o'clock when he took the traction car into Cleveland for over Sunday. Many of these subscriptions put on 25 years ago are still on the books. In those days the old time agency mutual companies and the Ohio stock companies were quite strong. There was cordial good will between the mutual contingent headed by "Dick" Smith of the Richland, John Vernon of the Ohio Mutual, "Jimmy" Cook of the Mansfield, and others of the mutual contingent and the stock company men, while the Ohio Farmers was a distinct element in itself with about five special agents. It must be remembered that the business in Ohio 25 years ago was much smaller than it is now and it was unusual for a company to have more than one field man in a state.

During the second year of the paper Mr. Wohlgenuth attended the 50th anniversary meeting of the Ohio Farmers at LeRoy. The evening before in the company hall in the basement of its building where many of the agents were gathered some agent took it upon himself to see that every man present became a subscriber then and there to The Ohio Underwriter. There were about 110 men in the room of whom some 60 were already taking the paper and over 40 were signed up on the spot simply by writing down their names and addresses on a sheet of paper up against the wall. The mutual men were friendly and many a local agent's subscription came in with the card of a mutual company secretary pinned to it.

It was in Ohio and Michigan that the young paper, without much regard to how other insurance papers were conducted, proved that it had ideas of its own and worked out the plans of service that later were to be applied elsewhere.

## Growth of Fleet Idea

ONE of the modern day developments in fire and casualty insurance is the fleet idea, whereby a number of companies are joined in one business family, either by common stock ownership or other alliances that bring them more or less closely together. Some years ago a large company usually reinsured a smaller company and it liquidated. Now there are comparatively few out and out reinsurances.

The plan followed is for the parent organization to purchase the bulk of the stock of a company which desires to get out of the wet and run it as an independent entity, but give it the advantage of its underwriting knowledge and management. In this way the overhead expense is reduced, the company is strengthened in the field and its general tone is improved.

1846

1922

# THE AMERICAN

## of Newark

### January 1st, 1922

Capital Stock - - - - -	\$ 2,500,000.00
Liabilities - - - - -	11,425,030.50
Special Reserve Fund - -	300,000.00
Net Surplus - - - - -	3,611,471.47
	<hr/>
	\$17,836,501.97

With Everything American, Tomorrow Is Secure

## The Privilege of Service

Ours has been the privilege of serving the people of Oklahoma and Arkansas for ten years. How well we have succeeded is best evidenced in the unfaltering confidence of our agents and policyholders, rather than in any assertion not founded upon a definite indication of faith.

Every man whose privilege it is to serve his community with life insurance is alert to the possibilities of increasing his own production. His representation of an insurance company should be permanent. He should so choose his company that he will never have regret for his choice.

## Mid-Continent Life Insurance Co.

Oklahoma City, Okla.



# St. Paul Fire and Marine Insurance Company

*Founded 1853*

Capital and Net Surplus, Over  
**\$8,300,000.00**

Fire, Automobile, Hail, Marine (Inland and Ocean), Registered Mail, Parcel Post, Riot and Civil Commotion, Explosion, Earthquake, Sprinkler Leakage and Windstorm

**Home Office - St. Paul, Minn.**

## Providence Washington

Insurance Company  
of Providence, R. I.

### *123rd Anniversary*

Every successful business enterprise owes its success to the efforts of its entire organization. In insurance, not the least importance should be attached to the hard working and painstaking agency force.

## Virginia Fire & Marine

Insurance Company  
of Richmond, Va.

### *90th Anniversary*

Local insurance men are contributors to the success of insurance companies. Careful fostering of agency interests and representation of dependable insurance institutions builds up insurance prestige of a lasting character.

## Western Department

Insurance Exchange  
Chicago, Ill.

**F. B. Luce, Manager**

**C. E. Clutia, Asst. Mgr.**

**RELIANCE LIFE**  
**Insurance Company**  
**of Pittsburgh**

*Originators*  
*of the*  
*“Perfect Protection Policy”*



## Great Republic Agents Are Successful and Prosperous!

### "There's a Reason"

Liberal Commissions and Attractive Policies form a combination that is hard to beat . . . . .

#### The Company's New 20-Payment

#### Policy Is a Winner

#### On Basis of \$10,000 It Will Pay

- \$20,000 in case of Accidental Death.
- 10,000 in case of Natural Death.
- 100 per month in case of Permanent Total Disability and in addition Company pays premiums and \$10,000 at Natural Death, or \$20,000 in case of Accidental Death.
- 10,000 cash and \$100 per month in case of Accidental Loss of hands or feet, one hand and one foot, or the sight of both eyes, and in addition the Company pays premiums and \$10,000 at Natural Death, or \$20,000 in case of Accidental Death.
- 2,500 additional indemnity for Accidental Loss of a hand, a foot or an eye.
- 10,000 to Insured in case of death of Beneficiary from travel accident.

Unusual Agency Opportunities for Salesmen of Character and Ability exist in Missouri, Arkansas, Texas, Oklahoma, Kansas, New Mexico, Arizona and California. If interested, write to any of the branch offices shown below, or to the home office.

E. L. BLACK, Manager, Wheatley, Ark.

H. S. BRIDGEWATER, Manager,  
Central Department,  
1951-2 Railway Exchange Bldg.  
Saint Louis, Mo.

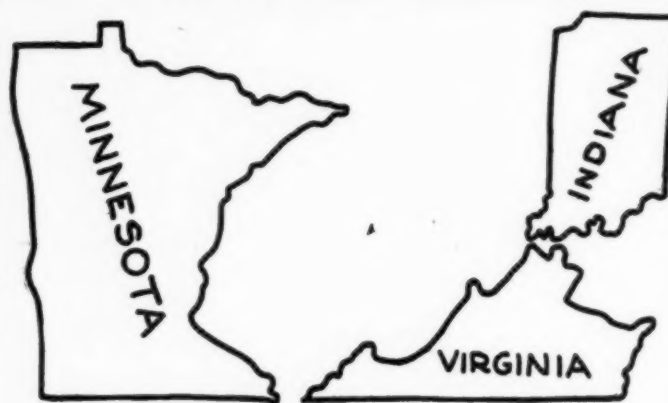
J. R. RAILEY, Manager,  
Southwestern Department,  
401 Dallas Co. State Bank Bldg.  
Dallas, Texas

## Great Republic Life Insurance Company

A. OTIS BURCH,  
President

W. H. SAVAGE,  
Vice-President and Agency Director

LOS ANGELES, CALIFORNIA



## THE SOUTHLAND LIFE INSURANCE COMPANY DALLAS, TEXAS

WILL ENTER THE STATES OF

MINNESOTA, INDIANA, VIRGINIA, TENNESSEE  
AND LOUISIANA

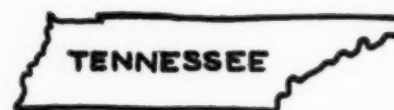
Men of Ability and High Character  
will find the Southland's Agency  
Contract most Attractive

HARRY L. SEAY,  
President

LAWRENCE M. CATHLES,  
V. P. and Act.

CLARENCE E. LINZ,  
V. P. and Treas.

PHILIP N. THEVENET,  
Secretary



ADDRESS

CLARENCE E. LINZ, V. P. & Treas.  
In Charge of Agency Dept.

*Twenty-six years' record of fulfilled obligations*

# UNITED STATES FIDELITY *and* GUARANTY COMPANY

JOHN R. BLAND, President



***Assets—May 31, 1922—\$35,263,928.21***

- ¶ The *agressive* agent linked with a *strong* company has won half the battle.
- ¶ The agent of this company is a part of it.
- ¶ This company endeavors to give its agents unsurpassed service not only through its home office in Baltimore, but through its branch offices from the Atlantic to the Pacific.
- ¶ This service is carried to you by a corps of special agents—the kind whose assistance counts.
- ¶ The policy of the United States Fidelity and Guaranty Company is to avoid technicalities in the settlement of claims.

**AN AGENCY STAFF SECOND TO NONE  
AND GROWING FAST**

Surety

Fidelity

Burglary

Casualty



THOS. F. KEELEY  
President

J. I. NAGHTEN  
Vice President

R. W. WOLFE  
Vice President

GEORGE ESSIG  
Secretary

JAMES HANNING  
Ass't Secretary

## Metropolitan-Hibernia Fire Insurance Company OF CHICAGO, ILLINOIS



CHICAGO IN 1833

**In Business Since 1903**

Agents wanted in Illinois, Ohio and Pennsylvania. Liberal commission contracts to agents having desirable business to offer.

**John Naghten & Co.**

Established 1863

GENERAL MANAGERS

Insurance Exchange

Chicago



The Insurance Exchange Building

**"The Greatest  
Insurance Building  
in the World"**

**Center of Chicago  
Insurance Activities**

**NAPOLEON PICARD**  
Manager

Room 808

Telephone Wabash 756

## 25 Years of Progress

*This Is Our Anniversary*

We close the first quarter of a century with an unbroken record of success. Operating in 34 states, we are constantly expanding. Our policy contracts are "the best sellers," as they make a strong appeal to the business man and farmer.

Opening up rich, new territory, of course we need experienced men, ambitious to build up permanent, prosperous business for themselves. We make liberal contracts with strong men. Correspondence confidential. Wire or write

## The Bankers Reserve Life Company

Home Office: OMAHA, NEBR.

Assets, \$12,000,000.00  
Business in Force, \$80,000,000.00

## Service to Policyholders Co-Operation with Agents

Out of the sixty-two years' experience in serving the insuring public, The Guardian has evolved a broad, progressive program of service to its clients and its representatives in the field that is unique in the annals of American Life Insurance.

The Company's continued growth and expansion on these sound principles affords an opportunity to men of caliber to grow with it. The complete story of what The Guardian is doing for its policyholders and agents will interest the kind of men who can measure up to these opportunities.

*For Full Information, Address*

T. LOUIS HANSEN, Vice-President

OR

GEO. L. HUNT, Superintendent of Agencies

## The Guardian Life Insurance Company of America

Established 1860 Under the Laws of the State of New York

Home Office:  
50 Union Square, New York



# A. F. SHAW & CO.

Insurance Exchange

175 W. Jackson Street, Chicago, Ill.

## INSURANCE OF EVERY DESCRIPTION

Excess Bonds, Excess Liability, Excess Compensation

Radium

Valuable Musical Instruments

Jewelry Stores

Trophies

Personal Jewelry and Furs

Tourists' Effects

Paintings

Salesmen's Samples

Insured under liberal floater policies at lowest prices

## INTER-OCEAN REINSURANCE COMPANY

FIRE AND ALLIED LINES  
REINSURANCE ONLY



SURPLUS TO POLICYHOLDERS  
ONE MILLION DOLLARS

CEDAR RAPIDS, IOWA

# THE NATIONAL LIFE & ACCIDENT INSURANCE COMPANY

Incorporated

Home Office—Nashville, Tenn.

Cornelius A. Craig, President

W. R. Wills, Vice-President

C. R. Clements, Secretary &amp; Treasurer

Twenty-second Annual Financial Statement—Year Ending Dec. 31, 1921.

## CASH CAPITAL \$600,000.00

ASSETS:		LIABILITIES:	
Bonds and Stocks Owned.....	\$3,899,549.54	Legal Reserve Life Insurance Policies .....	\$2,005,246.90
Real Estate Loans, First Mortgages.....	2,383,943.17	Legal Reserve, Disability Policies .....	182,992.54
Cash in Banks and Offices .....	469,976.69	Contingent Reserve .....	2,500,000.00
Loans on Bonds and Stocks .....	178,600.00	Reserve for Epidemics .....	300,000.00
Real Estate Owned .....	135,727.97	Gross Premiums Paid in Advance.....	289,193.76
Net Unpaid and Deferred Premiums .....	98,197.77	Taxes Accrued, but not due.....	201,259.76
Interest Accrued and Unpaid .....	81,009.80	Due to Agents on Bond Deposits, etc.....	210,141.84
<b>TOTAL ASSETS .....</b>	<b>\$7,157,004.94</b>	Policy Claims in Process of Payment or Adjmt.....	68,316.60
		All Other Items .....	39,562.45
		<b>TOTAL LIABILITIES .....</b>	<b>\$5,796,713.85</b>
		<b>CAPITAL AND SURPLUS .....</b>	<b>1,360,291.09</b>

## GROWTH BY FIVE-YEAR PERIODS

ASSETS YEAR ENDING	POLICIES IN FORCE YEAR ENDING	CLAIMS PAID YEAR ENDING
Dec. 31, 1901, \$19,607.74	Dec. 31, 1901, No. 26,589	Dec. 31, 1901, \$37,907.32
Dec. 31, 1906, \$196,095.72	Dec. 31, 1906, No. 112,894	Dec. 31, 1906, \$211,891.96
Dec. 31, 1911, \$694,155.65	Dec. 31, 1911, No. 271,572	Dec. 31, 1911, \$645,731.58
Dec. 31, 1916, \$2,295,828.92	Dec. 31, 1916, No. 548,782	Dec. 31, 1916, \$1,639,091.70
Dec. 31, 1921, \$7,157,004.94	Dec. 31, 1921, No. 1,002,992	Dec. 31, 1921, \$4,417,238.11
First Safety—Then Progress	First Safety—Then Progress	First Safety—Then Progress
<b>TOTAL CLAIMS PAID ALL YEARS</b>		
<b>\$26,505,578.97</b>		

# Your Opportunity Lies Here

Mr. Salesman:—

We have at present, Four Splendid openings for men who can qualify as General Agents.

WISCONSIN—The State of Diversified Industries is a fertile field for the man with salesmanship ability.

Our Company has a well established agency in this state. Over Thirty Millions of business in force.

The CENTRAL LIFE of Iowa is a household word. We write Men, Women and Children. Double Indemnity and Total Disability.

Write for full particulars and satisfy yourself.

**A. C. Larson,**  
State Manager  
Madison, Wisconsin  
First Central Building

*Old Line**Legal Reserve*

## An Unequaled Record in Kansas!

Eleven Years Old and A Giant in  
the Financial Affairs of  
the Southwest

Never before has any Kansas Life Insurance Company accumulated such a volume of business in force—

**OVER \$32,000,000.00**

Never before has any Kansas Life Insurance Company paid out such an amount of money to its Policyholders—

**OVER \$1,000,000.00  
SINCE ORGANIZATION**

**Kansas' Greatest Life  
Insurance Company**

Invites Inspection—Inquiry of Integrity

### The Farmers & Bankers Life Insurance Company

Home Offices

Wichita, Kansas

The Continental Casualty  
Company is celebrating  
its 25th anniversary  
this year

*It's great to be a  
Continental Agent.  
— Try it.*

## CONTINENTAL Casualty Company

H. G. B. ALEXANDER, President

General Offices:  
Chicago, Illinois

Canadian Head Office:  
Toronto

*The Company With a Continent of Friends*



## Firmly Rooted In The Soil Of Ohio

Many eminent men and women and highly successful and most excellent institutions have come from Ohio. There is a spirit of enterprise, initiative and industry in the state that spells achievement.

The Gem City Life Insurance Company is a product of this great state and is furnishing personal insurance to the citizens. It writes life, accident and health insurance.

It has \$5,500,000 life insurance in force

and has passed the half million mark in assets.

It is able to furnish commercial and industrial health and accident insurance. It writes substandard life insurance risks. In short the company is fully equipped to meet the need of agents and policyholders.

It is in close touch with the needs of the field and gives substantial backing to its agents in the development of their territory. It cooperates with its field workers in every possible way.

## The Gem City Life Insurance Company

Dayton, Ohio

I. A. Morrisett, Vice-President and General Manager

NEW YORK  
MINNEAPOLIS

SAN FRANCISCO  
DENVER

# MARSH & McLENNAN

## INSURANCE

Fire Marine Jewelry Burglary  
Automobile Tourist Floater

TELEPHONE WABASH 640

175 West Jackson Blvd.

CHICAGO

LONDON  
WINNIPEG  
COLUMBUS

SEATTLE DETROIT  
CLEVELAND  
PITTSBURGH

MONTREAL  
DULUTH  
BUFFALO

# American Life Reinsurance Company DALLAS Magnolia Building Chicago 29 South La Salle Street

## Insurance In Force

June 30, 1919 .....	\$ 363,134
June 30, 1920 .....	12,714,577
June 30, 1921 .....	24,023,514
June 30, 1922 .....	30,029,612

## 1922 Record

New Business \$1,175,621 ahead of 1921.

## Endorsements

This from a client regarding payment of Claim. "We appreciate very much your promptness and your fairness in making this settlement. We regard it simply as another evidence of the fact that we are doing business with a reinsurance company which is second to none in the treatment which it gives its clients. Your uniform promptness and satisfactory manner of handling our business has been extremely satisfactory throughout all of our dealing with you."

This from recent Examination Report. "It is gratifying to be able to state we find after close investigation that the history of the company from the beginning has been entirely free from objectionable methods or practices. The Officers and Directors are men of recognized ability, character and energy. It is evident that the company enjoys the fullest confidence of its clients and that both the excellent service it renders and the security it furnishes are duly appreciated."

## FULL COVERAGE LIFE - DISABILITY - DOUBLE INDEMNITY FROM BOTH OFFICES

A. C. Bigger, President  
Fred D. Strudell, Secretary  
Morton Bigger, Assistant Secretary  
Bert H. Zahner, Chicago Manager

## Something New!

The Kansas Central Indemnity Company announces their new non-cancellable, non-prorating policy in which the principal sum is paid up in twenty years. The price is well within the reach of every one and only a trifle more than the old cancellable, prorating contract.

## W-H-Y

did the Kansas Central show a larger increase in business last year, from Kansas, than any other accident Company operating in the state?

Why will the Kansas Central show a larger increase for the year 1922? The new applications written in the first twenty days in June was an increase of over 700% over the same period in 1921.

## Salesmen

find it profitable to represent the Kansas Central, because the Kansas Central is back of their agents with clean, fair contracts. The Kansas Central cannot be excelled in the promptness of handling claims. The Kansas Central receives hundreds of letters from claimants testifying to their fairness in paying the claims.

Some excellent territory is open for honest salesman. Write us in confidence, stating your experience.

## The Kansas Central Indemnity Company

Hutchinson, Kansas

Capital Stock \$100,000.00

The Oldest and Strongest Kansas Disability Company

**Officers:**

ANTHONY MATRE  
President  
NAPOLEON PICARD  
Secretary-Treasurer  
DR. H. REIS  
Vice-President  
JOSEPH BERNING  
Vice-President



THIS company has made rapid progress showing its popularity with agents. It is not a plunger. Its underwriting methods are orthodox and consistent with good practices.

**ASSETS**

**Two Million Dollars**  
*Writes Fire and Tornado*

**THE MARQUETTE**

*Is Licensed in the following States:*

Colo.; Ill.; Ind.; Ia.; Ky.; La.; Md.; Mass.; Mich.;  
Minn.; Miss.; Mo.; Mont.; Nev.; N. H.; N. J.; N. Y.;  
N. C.; Ohio; Pa.; S. C.; Tenn.; Texas; W. Va.; Wis.

**MARQUETTE**  
**NATIONAL FIRE INSURANCE CO.**  
**INSURANCE EXCHANGE**  
**CHICAGO**

**Detroit National Fire Insurance Company**

231-233 John R. Street, Detroit

***Michigan's Favorite Home Company***

GEORGE K. MARCH, President and General Manager  
A. A. TEMPLETON, Vice President  
F. J. HAYNES, Vice President

F. C. COOK, Counsel

JAMES M. TEAHEN, Treasurer  
W. C. GEROW, Secretary  
M. E. BLACK, Assistant Secretary



The  
**Eureka-Security**  
Fire and Marine Insurance Co.

ESTABLISHED 1864

22 Garfield Place  
Cincinnati, Ohio

From one growing Cincinnati  
Institution to another, The  
National Underwriter, greet-  
ings on its 25th Birthday.

---

B. G. DAWES, JR., Vice-President and Secretary



## General Casualty and Surety Insurance

Buy Your Insurance From a Michigan Company

Workmen's Compensation. Automobile—  
Liability, Property Damage and Collision

Residence Burglary, Owners' and Tenants' Elevator, General Public Liability  
Plate Glass Accident and Health Fidelity and Surety Bonds

### GENERAL CASUALTY AND SURETY COMPANY

ELMER H. DEARTH, President

First National Bank Building, Detroit, Michigan

TELEPHONE: CADILLAC 3301

Cadillac Square and Woodward Avenue

## Detroit Life Keeps Up Its Record

¶ During the year 1921 the Detroit Life established a record of new business of better than a million a month in Michigan.

¶ During 1922 this Company has broken every record established in 1921. Each month this year the new business written has exceeded by a substantial amount the amount of business written during the corresponding months in 1921.

¶ The record for the first five months of 1922 shows a total of \$6,077,000 this year, compared with \$4,279,000 of last year, an increase of 42%.

¶ The record of business during the month of May in Michigan was \$1,248,000 compared with \$1,003,000 last year.

¶ The Detroit Life maintains its position of excellent progress by giving the best service possible to its Agency force. This Company has a few high class positions still open in Michigan. Any good Life Insurance man desirous of making a new affiliation with a progressive, ever-growing organization is invited to address the Home Office, Forest & Woodward, Detroit.

## DETROIT LIFE INSURANCE COMPANY

*"The Company of Service"*

M. E. O'Brien, President

## New Jersey Fidelity & Plate Glass Insurance Company

Newark, New Jersey

*Established 1868*

Liability

Plate Glass

Burglary Insurance

## The Minnesota Mutual Announces—

¶ A NEW and VERY LIBERAL TOTAL DISABILITY CLAUSE providing a monthly income of one per cent of the face of the policy and immediate waiver of all future premiums.

¶ A NEW and VERY COMPLETE RATE BOOK outlining (in addition to all the standard terms) about fifteen new policies, many of which are unique to the Minnesota Mutual—Special Business Protection Policies, Special Renewable and Convertible Term Policies, Two Special Children's Policies, Salary Continuance and all forms of Monthly Income Policies, Special Endowments maturing at various ages, etc.

¶ A NEW POLICY HOLDERS HEALTH SERVICE, opening to all policyholders full use of the well equipped laboratories in the Medical Department.

¶ A NEW APP-A-WEEK CLUB for our agents and Special and Valuable Sales Helps and Personal Production Charts to those agents that qualify.

¶ A Continuation of the direct help of the Agency Department that has characterized the Minnesota Mutual for years.

¶ WE OFFER TO MEN OF PROVEN ABILITY A LIBERAL CONTRACT, GOOD FIRST YEAR COMMISSIONS, SPLENDID RENEWALS, AN IDEAL ARRANGEMENT FOR FINANCING AN AGENCY IN

KANSAS ILLINOIS MICHIGAN MONTANA  
VIRGINIA INDIANA LOUISIANA CALIFORNIA OREGON  
SOUTH DAKOTA TENNESSEE

O. J. Lacy, 2nd Vice-President in charge of Agencies

The Minnesota Mutual Life Insurance Company  
Saint Paul

We Solicit Reliable  
Agent's and Broker's Insurance Accounts  
for  
Chicago and Cook County.

Fourteen Strong Old Line Companies  
writing  
All Lines of Insurance

BRUMMEL BROS.

MANAGERS

1501-175 W. Jackson Blvd.

CHICAGO



New York

Philadelphia

Boston

# ELIEL AND LOEB COMPANY INSURANCE

Insurance Exchange, Chicago

JACOB M. LOEB, President  
R. G. SCHEUNEMANN, Vice-President  
HOWARD G. KORNBLITH, Vice-President  
LESTER KORNBLITH, Vice-President  
HAMILTON M. LOEB, Vice-President  
F. G. MERRITT, Secretary, and Treasurer

TELEPHONE  
WABASH 3961



## THE PEOPLES LIFE INSURANCE CO. OF ILLINOIS

Assets Over \$800,000.00

Insurance in Force

Dec. 31, 1920, \$4,800,000

Dec. 31, 1921, \$7,175,000

June 15, 1922, \$10,275,000

*The best Bank & Life Insurance Savings Plan  
On The Market*

Peoples Life Building  
130 No. Wells St.  
Chicago

PAGE & BARLOW  
MANAGERS  
BANK & LIFE INSURANCE SAVINGS PLAN  
DEPARTMENT  
705 Peoples Life Bldg.

E. A. NELSON  
PRESIDENT

**C**ongratulations  
to the men who have  
made The National  
Underwriter what it is  
today—a constructive  
force in life insurance  
journalism.

**Alfred MacArthur**  
General Agent

**National Life Insurance Company  
of the United States of America**

29 S. LaSalle St.  
Chicago, Illinois

**G. A. MAVON & CO.**  
INSURORS

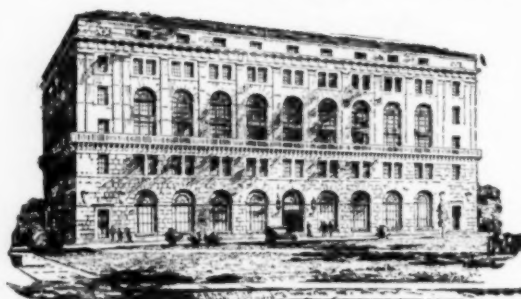
175 W. JACKSON BLVD.  
CHICAGO

A SERVICE BUILT AGENCY

**A Decade's Growth**  
—of the—  
**Globe Indemnity Company**

**INSURANCE**

LIABILITY  
BURGLARY  
PLATE GLASS  
AUTOMOBILE  
COMPENSATION  
CHECK FORGERY  
BOILER AND FLY WHEEL  
ACCIDENT AND HEALTH



ADMINISTRATION BUILDING  
WASHINGTON PARK, NEWARK, N. J.

**BONDS**

FEDERAL  
FIDELITY  
CONTRACT  
FIDUCIARY  
DEPOSITORY  
PUBLIC OFFICIAL  
INTERNAL REVENUE  
BANKERS' BLANKET

We express to our friends—the producers—our sincere appreciation of their confidence in our Company, as evidenced by the business written during the ten years of our existence:

December 31, 1911	Premiums: \$ 2,125,740	Resources: \$ 2,807,219
December 31, 1921	Premiums: \$11,850,794	Resources: \$15,131,309

Our constant aim is to improve our Service, and to continue to merit the confidence of our clients.

*A. Duncan Reid*

PRESIDENT

# THE PURNELL-DUDLEY COMPANY

INCORPORATED

**INSURANCE**

175 W. Jackson Blvd.

CHICAGO

# AMERICAN GENERAL INSURANCE COMPANY

CHICAGO

Writing Fire and Marine Insurance  
and Allied Lines

# MERCHANTS LIFE AND CASUALTY COMPANY

Writing Accident—Life—Casualty

# INDEMNITY FIRE—ENG. AUTOMOBILE

# THE P. J. KIEFFER COMPANY

General Agents

American General Home Office Bldg.  
326 North Michigan Blvd. CHICAGO

Boston Ins. Co.  
Old Colony Fire Ins. Co.  
New Hampshire Fire Ins. Co.  
County Fire Ins. Co.  
Employers' Fire Ins. Co.

# FRED J. SAUTER Cook County Manager

175 W. Jackson Blvd.  
Chicago, Illinois

Phone: Wabash 3616

# August Torpe, Jr. & Co.

**INSURANCE**

1630-1640 Insurance Exchange  
175 West Jackson Boulevard  
CHICAGO



## National Inspection Co.

J. G. HUBBELL  
Manager

H. B. CHRISSINGER  
Ass't Manager

R. L. THIELE  
Chief Inspector

*Established 19 Years*

**Underwriting Reports on Central  
Western Risks**

**Clear Brief Conclusive**

*Used by Over 60 Offices*

Inspectors resident at Chicago,  
St. Louis, Detroit, Cleveland,  
Cincinnati and Milwaukee

**223 W. Jackson Blvd.**

**Chicago**

## Congratulations, National Underwriter!

On this, your Twenty-fifth Anniversary, we wish to congratulate you on the eminence and prestige you have attained in your field.

We, celebrating our second anniversary, sincerely hope that our twenty-fifth anniversary will see as much ground gained, as much service rendered, and as warm a host of friends as you enjoy.

## FEDERAL SURETY COMPANY

Home Office—Davenport, Iowa

*"Where the West Begins"*

W. L. TAYLOR, Vice President and General Manager

R. M. BISSELL,  
President

WILLIAM WALSH,  
Secretary

## Twin City Fire Insurance Company

**Fire Tornado Automobile Hail**

Home Office

**MINNEAPOLIS - - MINNESOTA**

## Starkweather & Shepley, Inc.

### INSURANCE

17 Custom House St.  
PROVIDENCE

118 William St.  
NEW YORK

43 K. St.  
BOSTON

### CHICAGO OFFICE

175 W. JACKSON BOULEVARD  
INSURANCE EXCHANGE

Geo. L. Shepley, Pres.

Herbert V. Burrows, Manager

20 RUE CHAUCHAT  
PARIS

Cook County General Agents for

RHODE ISLAND INSURANCE COMPANY, of PROVIDENCE, R. I.

UNION FIRE INSURANCE COMPANY, of PARIS, FRANCE

NATIONAL FIRE INSURANCE COMPANY, of PARIS, FRANCE

PHENIX FIRE INSURANCE COMPANY, of PARIS, FRANCE

### *Sprinkler Leakage Insurance*

SURPLUS LINES

LONDON LLOYDS INSURANCE

Binding contract with London Lloyds for United States,  
Canada and Mexico

# THE YORKSHIRE INSURANCE CO., LTD. OF YORK, ENGLAND

ESTABLISHED 1824

## UNITED STATES HEAD OFFICES:

80 MAIDEN LANE, NEW YORK

FRANK & DuBOIS  
United States ManagersERNEST B. BOYD  
Underwriting ManagerFRANK B. MARTIN  
Assistant ManagerWALLACE KELLY  
Branch Secretary

## STATE AGENTS:

J. DEAN WELLS  
Insurance Exchange  
CHICAGO, ILL.W. E. VOLBRECHT  
Columbia Bank Bldg.  
PITTSBURGH, PA.E. J. ARIMOND  
440 Broadway  
MILWAUKEE, WIS.S. H. DAVEY  
Comstock Building  
COLUMBUS, OHIO

# LONDON & PROVINCIAL

MARINE &amp; GENERAL INSURANCE CO., LTD.

OF LONDON, ENGLAND

ESTABLISHED 1860

# You Always Know Where You Stand

with the Massachusetts Bonding and Insurance Company. No delays or quibbling where special authorizations or acceptances are required. Straight-from-the-shoulder service at all times. For agency connections address —

# Massachusetts Bonding and Insurance Company

T. J. FALVEY, President 77 State St., Boston, Mass.

Fidelity and Surety Bonds, Liability  
Property Damage, Automobile, Per-  
sonal Accident, Health, Burglary,  
Theft, Hold-Up and Plate Glass

## INSURANCE

1893 Conkling, Price & Webb 1892  
1897 National Underwriter 1922

One of the worthwhile factors in the building of our organization has been the valuable service rendered during the last quarter of a century by the Insurance Press. We congratulate the National Underwriter on its Silver Anniversary and commend its management for their achievement in the interest of Sound Insurance. Long may they continue to serve and merit the support of high class Insurance Companies and agents everywhere.

# Conkling, Price & Webb General Agents Chicago, Illinois

# Mutual Trust Life Insurance Company OF CHICAGO

## ASSETS

1905	\$446,229.00
1910	\$974,467.00
1916	\$2,535,000.00
1917	\$3,157,000.00
1918	\$3,694,000.00
1919	\$4,636,000.00
1920	\$5,939,063.00
1921	\$7,512,613.17

## INSURANCE IN FORCE

1905	\$8,844,577.00
1910	\$14,074,402.00
1916	\$25,500,000.00
1917	\$31,000,000.00
1918	\$37,000,000.00
1919	\$51,000,000.00
1920	\$66,175,000.00
1921	\$69,693,209.00

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Stand on any street corner—thousands of people pass by you.

In each thousand people, many insurance men will tell you, there are many prospects? And you are asked to go out and locate these few by calling on the whole thousand.

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CASH ASSETS

\$4,074,684.00

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N. W. CORNER FIFTEENTH AND DODGE STREETS—8th FLOOR

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Insurance in Force	-	-	-	\$11,687,000.00
Ledger Assets	-	-	-	\$974,063.18

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*We can bind good risks located anywhere in  
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Our Agents produce more Bond  
Premiums than others because of  
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to render their customers.

ARE YOU ONE  
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### Results for 1921

Gain in interest income over last five years	1300%
Gain in income over last five years	590%
Gain in admitted assets over last five years	503%
Gain in insurance in force over last five years	250%
Average gain over last five years	661%

*The above figures are the results of the highest  
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It is the Last Word in

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Originated by us

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Paid in 15 years

*Opportunities for Reliable Men*



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**J. HORACE SHALE**  
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**W. VAN WINKLE**  
Secretary



Assets	-	-	-	\$5,110,025.67
Reserves	-	-	-	3,610,025.67
Capital	\$750,000.00			
Surplus	750,000.00			
Surplus to				
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For the right men we have desirable agency openings  
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Eighty Maiden Lane, New York City, the Home Office Building, was erected in 1912. The America Fore Building in Chicago (upper center) is in process of construction, and will be completed, it is hoped, in the spring of 1923. The America Fore Building, San Francisco, our latest acquisition which is now being remodelled, will better suit our needs when three floors are added to the building shown above. The Farmers Insurance Company of Cedar Rapids, maintains its Home Office in the beautiful Higley Building (lower center).

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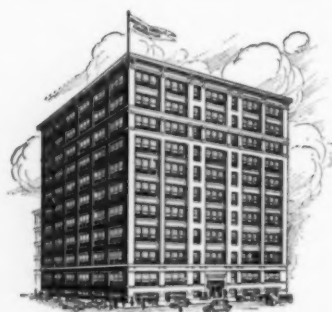
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The figures on our statement, showing  
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reveal something of the financial strength  
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That is the *Confidence* of our Policy-  
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Through eleven years of constant appli-  
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That you are representing the largest  
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LIFE-ACCIDENT-HEALTH



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FEDERAL LIFE BUILDING-  
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Desirable Agents Wanted

FERTILE TERRITORY STILL AVAILABLE FOR THE  
AGENT WHO TAKES PRIDE IN HIS COMPANY.

QUALIFIED IN 23 STATES

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## H. Dalmar & Co. INSURANCE

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# MIDLAND LIFE INSURANCE COMPANY

INSURANCE IN FORCE \$25,000,000

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*Established 1819*

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*Western Department*

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Chicago

*Pacific Coast Department*

362 Pine Street

San Francisco

*Underwriting Service Throughout the United States*

ONE of the early-day writers who worked out the story of Cleopatra's life insists that she had a peculiar trick of putting her wealth into pearls and then drinking the jewels. He doesn't go into elaborate details but infers that whenever Caesar's sweetheart got a hold of a thousand or so talents that she didn't know what to do with she scurried around until she could find the rarest of these rare pearls, mixed them up with a tasty cordial and swallowed them. Undoubtedly she thought they would stay with her until her death and make her more valuable after life than before. Another historian, writing of Charlemagne, informs us that the great Frank king built an impressive tomb for himself and ordered that all the wealth with which he was possessed at the time of his departure be placed therein with his body. This was done and 200 years after his death the vault was opened and the wealth stolen. Here are two samples of idiocy. Both individuals stood forth in the world's affairs and yet each lacked sense when it came to money matters. The modern person puts his money away differently. He may know little about conquering empires or vamping Romans but he appreciates well the value of life insurance. He plans ahead, not by drinking pearls or hiding his wealth in mausoleums, but by purchasing the policy contract of a well-established life insurance company to take his place after death. This is the difference between wisdom and idiocy.



The Prudential  
Insurance Company of America  
Incorporated under the laws of the State of New Jersey  
FORREST F. DRYDEN, President  
Home Office, Newark, New Jersey

## Nora Vincent Paul Wrote Us:

"Our 25th Anniversary Number is not so much in the way of actual advertising as it is an opportunity to stop and consider the past and use its experience as a guide to the future."

"Experience is a dear teacher"—or not. It is just a question of how we profit by it. And it depends not only on the use of our own experience but that of others also.

If you do not secure a fair share of business from your territory, is the cause remediable?

You are as diligent as your competitors. Your personality is good. An opportunity for service is always welcomed. Yet business lags. Why?

Perhaps in some way you are handicapped. The "Hartford" agent has no competitive handicaps. There is a demand for Hartford Insurance that has been created by a constant record both of service and method.

To quote Mrs. Paul:

*"Stop and consider the past and use its experience as a guide to the future."*

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President

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The OMAHA LIBERTY FIRE INSURANCE COMPANY, today, is Nebraska's Largest STOCK FIRE INSURANCE COMPANY, by way of Premium Income. As of January 1st, it had a Paid Up Cash Capital of \$250,000.00; Paid in Cash Surplus, \$406,150.00; Total Paid in Capital and Surplus, \$706,150.00; Unearned Premium Reserve, \$269,377.21. It made an increase of \$85,234.38 in Admitted Assets in 1921.

It is now licensed in Fifteen States, and is represented by more than Five Thousand Agents, it being strictly an Agency Company.

Evidence that its affairs are managed to the liking of its stockholders is seen in the action taken by them at the recent Annual Meeting when all of the old Directors and Officers were re-elected; the only change made being the addition to the Directorship of Sam'l Patterson, President of the Arapahoe, Nebraska, State Bank, and for the past six years Auditor of the United States Treasury of Washington, who at the same time was elected as Treasurer. Mr. Patterson is now in active charge of the Company's financial affairs, at the Home Office of the Company.

Captain R. J. Wachter, Secretary, has grown up in the Fire Insurance business, having associated himself with Mr. Zimmer, the President of the Company (a man of Thirty Years of Successful Insurance Experience), when he finished in the University of Nebraska, some years ago.

The other Officers and Directors are: John A. Wachter, Retired Merchant and Banker, Lincoln, Vice President; Geo. J. Adams, Financial Manager, Woods Brothers, Lincoln, Vice President; Geo. E. Hager, Attorney, Lincoln; T. T. Varney, Banker, Broken Bow, Nebraska; Frank Steinauer, Banker, Steinauer, Nebraska; and Chas. A. Skoog, Farmer and Stock Breeder, Holdrege, Nebraska.

The Officers and Directors are deeply interested in the Success of the Company from a financial standpoint, having upwards of Two Hundred Thousand (\$200,000.00) Dollars of their own funds invested in the Company, Mr. Zimmer, the President, being the heaviest investor.

The Company writes Fire, Tornado, Hail, Automobile, and Threshing Machine Insurance, making a specialty of insuring machinery while in operation, as well as when stored.

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## Western Reserve Life Insurance Co.

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Indiana and Ohio

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Devoted to

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(Three STATE specialties)  
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### CO-OPERATION

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**STATE** INSURANCE  
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Writing Hail, Fire and Tornado *of* DES MOINES

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## The A. A. Drew General Agency

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*Insurance Is as Old as the Sun*



**T**O Mr. Cartwright, managing editor, who has so diligently guided The National Underwriter, The Sun Insurance Office takes this opportunity of offering congratulations and wishes for continued success.

The twenty-fifth anniversary of The National Underwriter gives opportunity to commend one of the staunch supporters of good insurance practice for his untiring zeal in producing a journal which holds the confidence of the entire insurance fraternity.

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